Daily Report

Latin America

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FBIS-LAT-94-225 *22 November 1994*

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Central American Presidents Prepare for Summit

PA2211033894 Mexico City NOTIMEX in Spanish 2215 GMT 21 Nov 94

[By Isai Angeles]

[FBIS Translated Text] Tegucigalpa, 21 Nov (NOTIMEX)—The Central American countries need international support to make sustainable development a reality. The regional heads of state will present this position at the Summit of the Americas to be held in Miami next month.

The governments and the civilian societies of the region concluded at the Peace and Development Conference held in Tegucigalpa in October that they need international support to overcome poverty, to strengthen democracy, and to improve the local economies.

The regional declaration stated the region "is determined, at the threshold of a new century, to strike an alliance among its countries and the rest of the world in order to steer and consolidate the changes through which it has gone over the last few years."

Presidents Violeta Chamorro (Nicaragua), Armando Calderon Sol (El Salvador), Carlos Roberto Reina (Honduras), Ernesto Perez Balladares (Panama), and Ramiro De Leon Carpio (Guatemala), as well as Belizean Prime Minister Manuel Esquivel signed the declaration.

Although Costa Rican President Jose Maria Figueres failed to attend the conference due to internal problems, he visited Honduras one week later to endorse the commitments made by his counterparts regarding sustainable development in the region.

"Central America is determined to face the future from a sustainable development point of view, the main goal of which is the people to ensure that they will be able to tap their potential to serve the community," the declaration stated.

"This complex task will be possible, however, only with our own efforts and the constant support of the international community," the chiefs of state stated.

Following the civil wars, which were already resolved in El Salvador and Nicaragua and which left more than 160,000 people dead, and a conflict about to be resolved in Guatemala, "the region has been able to unequivocally take the path toward sustainable development."

According to Honduran President Carlos Reina, the regional presidents are asking the participation of the international community to collect "the peace dividends" and to carry out the plans made at the Tegucigalpa meeting. He added the world forgot the region after certain conflicts were resolved.

The support Central America may obtain from the international community to overcome underdevelopment and to jump start their economies for the sake of poor people would constitute "a tangible expression of solidarity with regional peace and development."

According to the heads of states, "the region needs $10 billion over the next five years to embark on a fight against poverty, but we still do not know whether the internatinal community will provide resources" although it has pledged to help.

Central America is far from reaching social peace, although most of the conflicts were resolved, because most people are immersed in poverty due to the low income they earn and to other factors hindering development.

Official figures indicate poverty daunts more than half of the 30 million people living in Central America.

Central Americans believe, according to certain analyst, the international community must support this effort to obtain good results, a position the Summit of the Americas, to be held in Miami from 9 to 11 December, must address.

Naval Leaders Study Maritime Communications

PY1911012394 Santiago EL MERCURIO in Spanish 15 Nov 94 p C6

[Article by Hernan Cisternas Arellano]

[FBIS Translated Text] Valparaiso—The navies of 10 countries of the Americas have since yesterday been studying in this port the need for a union of the navies to control and protect maritime communications.

The objective of the proposal is to prevent any eventual conflict from affecting free navigation in the region, especially when the economies of these countries depend on maritime transportation for 90 percent of their trade.

The international meeting, which will close on 18 November, is being attended by naval delegations from Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, the United States, Peru, Uruguay, and Venezuela.

At the conclusion of the meeting a decision will be made on the need to maintain as a permanent organization the Inter-American Naval Conference Specialized in Maritime Traffic Control.

The opening of the conference, held in the Navy Center for Events, was headed by Vice Admiral Juan Mackay Barriga, general director of Maritime Territory and the Merchant Marine, who will soon take over as chief of staff of the Navy.

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Cuba

Castro Attends First World Solidarity Conference

FL2111205294 Havana Radio Rebelde Network in Spanish 1800 GMT 21 Nov 94

[FBIS Translated Excerpt] Commander in Chief Fidel Castro is participating, along with representatives of solidarity organizations, labor union leaders, parliamentarians, and Euro-parliamentarians, in the First World Conference on Solidarity With Cuba. Correspondent Mariela Diaz has more details.

[Diaz] The (Exaudi) choir, with the international language of music, opened the first World Conference on Solidarity with Cuba. A total of 2,481 friends of Cuba from 108 countries, and representatives of 52 Cuban organizations are participating in the most beautiful and exalted of all international meetings ever held in Cuba. During his speech, Sergio Corrieri Hernandez, president of the Cuban Institute of Friendship with Peoples, said that this meeting is a dream come true. [passage omitted]

The World Conference on Solidarity with Cuba also serves as encouragement for the Cuban people, as a reward for their efforts and sacrifices. An emotional moment of the meeting was when participants chanted pro-Fidel, anti-blockade slogans.

Ricardo Alarcon, president of the National Assembly of the People's Government, briefed participants on the characteristics of democracy in our country.

Today and on the 22d and 25th, participants will meet at the Karl Marx Theater. On the rest of the days—the 23d and the 24th—they will split up into committees to analyze actions against the blockade, on defamatory campaigns, and on the truth about Cuba, as well as on the various experiences regarding solidarity with Cuba.

Friendship Institute President Speaks

PA2211040794 Havana PRENSA LATINA in Spanish 1642 GMT 21 Nov 94

[FBIS Translated Text] Havana, 21 Nov (PL)—The opposition to the U.S. economic blockade against Cuba and a reiteration of the respect for the self-determination of the Cuban people's sovereignty are the fundamental reasons that led to the holding of the 1st World Solidarity with Cuba Meeting.

Sergio Corrieri, president of the Cuban Institute of Friendship with Peoples (ICAP), made the statement during the inauguration of the first meeting of this type in the Cuban capital, which wa attended by the head of state, Fidel Castro.

Speaking to thousands of people gathered at the Karl Marx Theater in Havana, Corrieri said solidarity with this nation is growing and multiplying within a wide, heterogeneous, ideological spectrum but is united by the will to help the Antillean country.

The meeting, he said, is definite evidence of the drawing power motivated by solidarity with Cuba.

Convened by the ICAP and 52 other Cuban organizations and institutions, a total of 2,481 representatives from 108 countries from five continents are going to be meeting between Monday and Friday of this week.

The ICAP president said the reason behind the Cuban solidarity actions is one of principle, because "the dilemma being debated in Cuba is far-reaching and is not only of national interest."

He said in this regard this country is one under an arbitrary, illegal, and inhumane siege as was done "with cities during the Middle Ages that were besieged until their defenders surrendered by hunger, disease, or exhaustion."

He said the United States appears not to have resigned itself to the idea of allowing us "to be what we are and will never stop being: an independent nation."

Corrieri said Cuba, without giving up its principles, has made and is making huge efforts to harmoniously integrate itself in equal terms to the world in which it has had to live.

We are sure we can do it, he said, after saying the U.S. blockade is an obstacle, not the only one, but the fundamental one for achieving our goals.

He said we Cubans "have the elemental right to decide by ourselves without foreign pressures or threats what we have to do."

He also said the 1st World Solidarity with Cuba Meeting is already another victory in this long road toward equality, justice, and freedom.

Alarcon Views Democratic Nature of Revolution

PA2211032794 Havana PRENSA LATINA in Spanish 2007 GMT 21 Nov 94

[By Susana Ugarte]

[FBIS Translated Text] Ricardo Alarcon, president of the Cuban parliament, said in Havana today that Cuba has been living a profound democratic adventure since 1959 and that it is now determined to preserve its independence, social advances, and the dignity of a society that is a thousand times better.

Speaking before nearly 3,000 people attending the 1st World Meeting of Solidarity With Cuba at the Karl Marx Theater in Havana, Alarcon stressed the democratic nature of the Cuban revolution, a nature revealed by the participation of the people in every chapter of the work that has been carried out.

After reviewing the ideas set forth by Peruvian writer and sociologist Jose Carlos Mariategui, Alarcon said: We are living during a time of true creation and heroism, a time of decisions in which we have determined that

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"Indo-American socialism" not only can be saved but consolidated in its march through history.

He also said Cuba's achievements are an impossible dream for many people in countries such as the United States despite the crisis the country is experiencing due to the U.S. economic embargo and the collapse of the socialist field.

He mentioned among those achievements a public health system that leaves no one out nor threatens to close its doors to children. If the Cuban people have preserved their wealth despite the sorrow, it is because they have been the main actors in the fields of education, defense, health, and the creation of people's power institutions.

Alarcon added: The people's power system is very different from systems in other democratic countries. No one must gather money here to participate in elections as a candidate or compromise to get support, nor does the candidate collect a salary for doing his job after he is elected. We keep searching for this fundamental legislator, the people.

When Cuba speaks of developing and improving this system, he said, it does not mean making a friendly gesture toward those who regard themselves as possessors of democratic ideals, nor do we intend to tell others how to organize their own model society, he said.

The message transmitted by the majority of our people is not to return to the past but to have the firm determination to save the revolution, the homeland, and the independence of this united, just, and friendly nation, Alarcon added.

We mean to ensure that this country will continue being a reference point for all men of this planet who believe it is worthwhile to sacrifice themselves and struggle for a better world.

We all have the will to defend the revolution. For this point, we rely on the solidarity of those for whom Cuba's battle is their own battle, Alarcon concluded.

Further on Alarcon Remarks

FL2111231894 Havana Radio Reloj Network in Spanish 2032 GMT 21 Nov 94

[FBIS Translated Text] Our Indo-American and Cuban socialism will not die. The political organization of Cuban society and the true application of democracy in Cuba was the topic undertaken by Ricardo Alarcon, president of the National Assembly, during the first World Conference on Solidarity with Cuba, now under way in Havana. He expressed agreement with the principles of Jose Carlos Mariategui, which state that socialism in America was creation and heroism. Alarcon said that Cuban socialism is Indo-American and Cuban, and Cubans continue the struggle to keep it alive.

Alarcon declared that in Cuba democracy—a highly misused term—means participation of the people in every phase of the Revolution, and the elimination of inequality among men. In regard to this issue, Alarcon stressed the differences between the American and the Cuban electoral processes, and illustrated his point by citing the facts that candidates in the United States are millionaires, and that the great majority of the U.S. population does not vote.

Alarcon also said that the idea of an independent and sovereign fatherland, a Cuban national identity, and other noble convictions and successes of the Revolution—which all Cubans defend together—have been fostered since the days of Cuba's first patriots. In a nod to the words on Carlos Manuel de Cespedes, Alarcon said that today's Cubans are not as weak or unfortunate because they have the strength of a people united and ready to defend their principles. Alarcon said Cubans are strong because they have the solidarity of the world, and with it they support, ever more passionately, the dignity of the mandate of the father of the country.

After Alarcon's speech, numerous individuals at the meeting expressed their solidarity with Cuba and the principles of the Revolution.

Castro, Alarcon Address Conference

FL2211035594 Havana Cuba Vision Network in Spanish 0100 GMT 22 Nov 94

[Report on the opening session of the First World Conference on Solidarity With Cuba in Havana on 21 November; from the "NTV" newscast]

[FBIS Translated Excerpt] [Begin Fidel Castro recording, broadcast in progress] ...your kindness and generosity, and your request that I say a few words. I do not want to be the only one who speaks; many of us should speak a great deal, but you should speak also. If the circumstances merit it, well, then any one of us will be happy to comply, to clarify whatever is unclear. I am a participant just like all of you. [applause] [end recording]

Other party and state officials, and officials from nongovernmental organizations were also present. [passage omitted] Almost 2,500 people, many of modest means, sacrificed and saved enough money to come here from all parts of the world in response to the call of 52 organizations in the name of the Cuban nation.

The agenda centers around condemnation of the blockade and defense of sovereignty and self-determination. The participants represent a wide spectrum of ideas and orientations; among them are important personalities and anonymous individuals whose common denominator is to work so that Cuba is not overcome by force, to uphold hope for the survival of Cuba, and to avoid setting a dangerous precedent. What was expected to be a question-and-answer session turned

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into numerous demonstrations of support for Cuba and its revolutionary accomplishments. [passage omitted]

The participants received extensive information on democracy and economic strategy to defend revolutionary accomplishments.

[Begin recording] [Alarcon] Since the very triumph of the Revolution in 1959, Cuba has been, among other things, a profound adventure, a profoundly democratic creation, profoundly Cuban and Latin American. Since its infancy, this revolutionary process has been explicitly distinguished by the direct participation and intervention of the people in each and every phase of the evolution of the historic process of the Cuban Revolution. [end recording] [passage omitted]

Tomorrow, Foreign Minister Roberto Robaina will explain Cuban foreign policy, and the plenum sessions will continue. Tomorrow night, a massive Committees for the Defense of the Revolution meeting will be held.

Guinean Minister Expresses Opposition to Blockade

PA2011185194 Havana PRENSA LATINA in Spanish 0821 GMT 19 Nov 94

[Report by Aissa G. Garcia]

[FBIS Translated Text] Havana, 19 Nov (PL)—Guinean Labor Minister [title as received] Josephine Lanaud, who is heading her country's delegation to the world meeting of solidarity with Cuba that will begin here next week, today expressed her rejection of the North American blockade against the island.

The Republic of Guinea does not usually meddle in the affairs of other countries and defends their right to make their own decisions in keeping with the universal principles of international law, Lanaud affirmed.

In statements to PRENSA LATINA, the minister explained that sending an official delegation shows the importance her government places on the meeting and its interest in expressing solidarity with the Caribbean nation.

The Cuban people always supported us and our independence ideal, so we are greatly indebted to the island, Lanaud said after indicating that President Lansana Conte would have liked to attend the event to personally convey a message of solidarity with the island.

The government official stressed that the representatives of over 100 peoples at the first meeting of solidarity is evidence that Cuba is not isolated, as its enemies claim.

The delegation from the African continent to the so-called Summit of the Peoples consists of 118 people, mostly people from South Africa.

More than 2,500 friends of Cuba representing the most diverse sectors from 111 countries of the world will meet in the Cuban capital today to express their rejection of the U.S. blockade and to defend the right of the island to self-determination.

The Guinean minister arrived in Havana on 16 November to participate in the international meeting on the right of peoples to social development, which began here yesterday.

Alarcon Discusses Miami Summit, Compensation

FL2111162794 Havana Radio Progreso Network in Spanish 1200 GMT 21 Nov 94

[FBIS Translated Text] Ricardo Alarcon, president of the National Assembly of the People's Government, stated that no one can predict the outcome of the hemispheric summit, summoned by William Clinton and scheduled for December in Miami, because the U.S. Government is coming to the summit after suffering a significant electoral defeat. Alarcon also stated that when it is time to negotiate compensation for nationalized U.S. properties in Cuba we would first have to prioritize the compensation our country deserves for damages caused by Washington's aggressive policy, including the economic and trade blockade on Cuba.

Commentary Criticizes U.S. Decision on Rafters

PA2011044494 Havana Radio Havana Cuba in Spanish 0000 GMT 20 Nov 94

[Commentary by Norberto Hernandez; from the "Evening Information Review" newscast]

[FBIS Translated Text] A group of 22 Cubans who had been interned at the U.S. military base in Guantanamo and who had requested to be repatriated, on the basis of immigration agreements recently signed by the two countries, arrived in Havana on Friday.

This legal return stands in contrast to that of more than 170 rafters who crossed the dangerous minefields or the no less risky waters of Guantanamo Bay to return to their country and escape the poor living conditions that more than 23,000 of their fellow Cubans are suffering, because of the decision of the Washington Government, at the concentration camp built at this air and naval station.

The ease with which these Cubans left the enclave, which is closely guarded by U.S. soldiers, has aroused the suspicion that the base authorities helped their escape. This suspicion was confirmed recently when an interview between foreign news agencies and Guantanamo base chief General Raymon (?Ayrs) was published. In the interview, Gen. (?Ayrs) admitted not only to having facilitated the escape, but to planning to bring the refugees' camp closer to the rest of the Cuban territory to facilitate the Cubans' surreptitious return to their country. One week ago, the Cuban Government requested from the U.S. Government an explanation on this inadmissible arbitrariness by Gen. (?Ayrs), which

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violates the recent immigration agreement between the two countries. The Cuban Government, however, has received no reply.

Another situation that has created problems affecting the immigration agreements is that the U.S. Attorney General's Office has been authorizing the entry of several types of people into the United States for humanitarian reasons. This authorization, however, has been entirely unilateral and without taking Cuban authorities into consideration. It is feared that these decisions, which the Washington government makes on its own, will reduce the positive effect of receiving Cuban illegal immigrants for special reasons, a fact that greatly stimulated the wave of rafters that reached a climax during August and September this year and which led to the recent immigration agreement.

By way of exceptions, the positive situation attained in this respect between the two countries can be disrupted because the risky illegal departures to the United States could be resumed by those people who think they can be regarded as humanitarian cases. The U.S. Government should be aware that it is not and it cannot be more humanitarian than the Cuban Government in so delicate a matter as illegal immigration. If these measures are not previously discussed and consulted upon with the Cuban Government, costly mistakes could be made that could defeat the progress attained by the recent immigration agreements. The escapes from the Guantanamo naval station, full of unnecessary perils, should be prevented. For this, the U.S. authorities' cooperation is essential by strict compliance with the agreement signed with Cuba on this matter. This includes procedures for the legal and orderly return of the people confined in the Guantanamo military base.

Rafters' Condition in Panama Camps Reviewed

PA2111140094 Havana Radio Havana Cuba in Spanish 0000 GMT 20 Nov 94

[Report by PRENSA LATINA correspondent Edy Zamorra from the rafters camps in the Southern Command military areas in Panama; from the "Evening Information Review" newscast]

[FBIS Translated Text] The Cuban rafters have voiced their fears about their health over the past weeks. The small collective hospital that provides them with medical care has room for only 50 beds as it is designed to care for soldiers at war.

In an interview granted by rafter Julian Gonzalez, he said the situation at the camps is alarming due to their confinement and that the rafters have reached such levels of depression and desperation that many have tried to commit suicide by hanging themselves, cutting their veins, or swallowing sharp objects.

Additionally, several diseases have begun to appear. Gonzalez related the case of a rafter who underwent emergency surgery and had a kidney removed at U.S. Guantanamo Naval Base two months ago. The man continues to have problems because he cannot urinate and has a constant fever. What worries the man most, however, is that the U.S. physicians do not talk to him about his problem or his true health situation. Gonzalez also charged that there is a young rafter in Camp No. 3 who was in the hospital with hepatitis and has been sent back to the camp even though his skin is totally yellow and he fears for his life. We have also learned that 22 rafters are pregnant, but the so-called collective hospital does not have the specialized services to care for those women.

Communications Ministry on Phone Service With U.S.

FL2111162894 Havana Radio Progreso Network in Spanish 1200 GMT 21 Nov 94

[FBIS Translated Text] The Ministry of Communication has informed that the Emtelcuba [Internation Telecommunications Enterprise] Enterprise and six U.S. companies are working on the installation of the technical equipment needed for the international networks of Cuba and the United States to restore telephone service between the two countries as soon as possible.

U.S. Customs Stops Aid Caravan at Canadian Border

FL1811174494 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Nov 94

[FBIS Translated Text] This morning, U.S. Customs officials on the Canadian border confiscated several computers and two vehicles belonging to the fourth U.S.-Cuba Friendship Caravan, injuring a caravan member in the process. The Customs officials are trying to prevent passage into Canada of the donation destined for sea transport to Cuba in what amounts to a significant challenge to the U.S. blockade of Cuba.

Heston, a female caravan member, sustained a broken leg, while the two vehicles—a van with one person aboard, and a truck with six people aboard— run the risk of being removed by tow trucks as a result of the the occupants' refusal to come out.

The rest of the caravan members have been carrying the donations on foot across a 2-km-long border bridge without sidewalks. Therefore, the task is harder and riskier than the second caravan's experience in the incident at Laredo. The conflict is expected to be resolved shortly without necessitating a hunger strike like the one in 1993 after the now-famous yellow school bus was detained at the U.S.-Mexican border. Meanwhile, the rest of the vehicles and caravan members are already on Canadian soil.

Caravan Crosses Border

FL1811191594 Havana Radio Rebelde Network in Spanish 0000 GMT 18 Nov 94

[Report by correspondent Heidi Gonzalez Cabrera from the Martin Luther King Jr. Memorial Center in Havana; from the "Exclusive" program]

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[FBIS Translated Text] [Gonzalez] Good evening, we have a last-minute report: The fourth U.S.-Cuba Friendship Caravan just crossed the U.S.-Canadian border.

We have with us, Joel Suarez, coordinator of the Martin Luther King Jr. Memorial Center, to tell us about this important event.

[Suarez] After a difficult day, the caravan crossed the border. The two vehicles held up by U.S. Customs were released, together with the computers that had been confiscated. The Pastors for Peace leaders decided to leave the van in the U.S. for now, and to bring it to Cuba at another time. The successful crossing of the border is another triumph for the Pastors for Peace and the U.S. solidarity movement. We await with joy the 19 November arrival of the caravan and members of the solidarity movement from the United States and Canada, who will arrive on two flights Saturday night to participate in the First International Solidarity With Cuba meeting.

[Gonzalez] It is possible that we will hear from them again tonight or tomorrow?

[Suarez] Yes. They are headed to Toronto and will arrive there in about an hour to spend the night. Tomorrow, they will travel to Montreal. We have friends there from where they can call, and we will then have more details on the latest events.

Miami Said To Live Under Right-Wing 'Reign of Terror'

FL2211040294 Havana Radio Rebelde Network in Spanish 0000 GMT 22 Nov 94

[From the "Exclusive" program]

[FBIS Translated Text] The intolerance of right-wing sectors of Cuban immigrants in the United States and especially in Miami has reached such levels that it now includes attacks on U.S. legislators, according to reports by moderate groups.

Today, an organization that defends the freedom of the press has given PRENSA LATINA news agency in Mexico City copies of statements by several people, among them statements by Congressmen Charles Rangel, who advises that he has received threats for not supporting hardline policies against Cuba.

Yesterday, Cuban immigrants who oppose the U.S. blockade against Cuba met in Miami. Rangel pointed out that due to the threats he had received because of his participation in the meeting, he flew to Miami accompanied by bodyguards. Another group, known as the Cuban-American Defense League, stated that Miami lives under a reign of terror imposed by an intolerant minority who hinder free speech and violate the civil rights of those who do not agree with their ideas.

Article Views Haiti as 'Laboratory' for U.S.

PA1811150894 Havana PRENSA LATINA in Spanish 1111 GMT 16 Nov 94

[By Clemente Nicado]

[FBIS Translated Text]—Violence and contraband, murders and hopes, terror and poverty, Aristide and Cedras, vengeance and invasion. Those words marked the political glossary in 1994 of a Haiti brought down by chaos and economic disaster.

An incident put the Western Hemisphere on edge this year and left an indelible mark in the turbulent history of that Caribbean country.

The action meant for most Haitians the beginning of the end of a nightmare, unrest, and relief for Latin America and a "laboratory" for Washington, which extracted from its own test tubes a new mode of intervening in someone else's house.

This was the new formula the White House concocted: First, the public is primed with images of horror (meaning the streets of Port-au-Prince). Then the order to attack is yanked out of the United Nations, and last, an impressive force against the country is deployed.

This last experiment had a catalyzing element, the coupist military, accused of carrying out thousands of executions, which contributed greatly to the product prepared in Washington.

The Haitian issue dripped a drop of acid on Latin America's leaders, who had rejected the military regime and rejected a formula that could be applied to their countries, if the chemists from the North suggested it that way.

Under the operation dubbed "Rescue Democracy" [as received], the Pentagon aimed at Port-au-Prince two aircraft carriers and dozens of helicopters, amphibious ships, patrol boats, and more than 20,000 soldiers of elite troops who would face the Haitian Army of 7,000 soldiers armed with old rifles.

For the relief of the countries of the continent, a 10th U.S. intervention in the region was avoided thanks to the "armored" diplomacy of a U.S. peace mission headed by former President Jimmy Carter.

Covered by UN Security Council Resolution 940 and even more cautious following the traumatic operation in Somalia, the Marines landed in Port-au-Prince on 19 September, hailed by the afflicted natives.

Already in Haiti, Washington continued with its formula: It occupied the country's key points and capital, disarmed the Army, and began an unsuccessful purchase program of weapons. Afterward, it pressured the legitimate Congress to vote for a controversial amnesty law that would favor those responsible for the coup, Generals Raoul Cedras, Philippe Biamby, and Joseph Francois.

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As they planned it, the chieftains of the 1991 coup that toppled Jean-Bertrand Aristide vanished from their homes. Francois fled to the Dominican Republic, and Cedras and Biamby flew to Panama for the exile in luxury the United States had promised.

Almost everything was ready for the return of the deposed president, and only one explosive substance was left up in the air, namely, the paramilitary groups which were trained by the Army and which reportedly have most of the 30,000 weapons in civilian hands.

With that activated mine, Aristide settled in the presidential chair on 15 October, still carrying the aura of myth and the hopes of millions of Haitians of finding a better life.

The return of the former Salesian priest represented for quite a few experts the epilogue of a terrible episode for their people, besieged by the fire of the military and the UN sanctions.

In view of the coupists' intransigence, the United Nations stiffened for that year the commercial punishment on Haiti, to the point of ordering last June a total embargo that did not make the military junta budge but wrung the necks of the people of Haiti, who set sail by the thousands seeking a coast of peace.

Aristide has returned now amid expectations so high that analysts predict problems in the future if they are not met, and he has endlessly repeated "no to violence and yes to reconciliation," a goal as difficult as propping up the extremely poor local economy.

The Aristide myth could wind up buried by history, however, if the president insists on implementing the financial recipe dictated by the IMF, something which prompted the immediate reaction by the country's progressive forces when he announced them.

So as to leave no doubts of his reconciliation program, the restored president named as prime minister wealthy businessman Smarck Michel, who is demanding financial support to execute his program.

Not one cent of the billions of dollars has come to Port-au-Prince as promised by the wealthiest countries and international donors when the exiled president took over.

This official warning occurs simultaneously with the withdrawal of the occupation forces, which, according to the UN plan, will be replaced by Blue Helmets, while a new Haitian police force is created with the alarming inclusion of Army members, a plan that makes Port-au-Prince Mayor Evan Paul "very, very nervous."

For Washington, the new product—its most recent variety of democracy—is almost finished, but its little Caribbean laboratory still has dangerous active substances, such as uncertainty, hatred, and the thirst for revenge among Aristide's supporters and Cedras' still untouchable paramilitary.

Article: Summit 'Test' for Caribbean Association

PA2211005494 Havana PRENSA LATINA in Spanish 0807 GMT 21 Nov 94

["Exclusive" article by Maria Elena Gil: "Trial by Fire for the Brand-New Association of Caribbean States"]

[FBIS Translated Text]—The Association of Caribbean States [ACS], founded last July, will face a crucial test at the Summit of the Americas convened by the United States, where it will be confirmed whether the recently created Pan-Caribbean agreement is truly coordinated.

The Caribbean states, particularly the members of the Anglo-Antillean community Caricom [Caribbean Common Market], are seeking a consensus in drafting a common agenda to attend the meeting convened by U.S. President Bill Clinton in Miami for next December, with the only and uncomfortable exclusion of Cuba.

Cuba is considered by Caricom leaders a fundamental element for regional integration, and, therefore, it is expected to be one of the points on the agenda.

The emphasis will undoubtedly lie in the commercial and economic aspects, particularly free trade, a topic about which the Antilleans have many complaints.

"We have understood it is necessary for the Summit of the Americas to previously agree on a common agenda so as to let the United States know what are the common concerns of the entire Caribbean area," Dominican Vice President Jacinto Peynado said recently.

Peynado conducted a consultation trip through Guyana, Jamaica, and Trinidad and Tobago at the end of October to coordinate a Caribbean minisummit in Kingston with a view to negotiating as a bloc in Miami.

The Caribbean leaders agree on the need to fight poverty, to preserve the environment, to intensify the fight against drug trafficking, to reduce unemployment levels, and to strengthen commercial and cultural activities in keeping with ACS objectives.

A hot issue is to obtain for Antillean products, especially garments, parity with Mexico, whose privileged competitiveness as a NAFTA member threatens to smother the Caribbean manufacturing industry, one of the leading export fields in that area.

The interests of the Central American countries converge, and also compete, in that field. The traditional rivalry between Central America and Caribbean countries would apparently be overcome with the creation of the ACS.

Without the slightest reference to a joint campaign with the Caribbean nations, inasmuch as they are all part of the same regional organization, the isthmian countries have already ironed out their differences to claim temporary admission in NAFTA.

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According to a recent statement by Costa Rican President Jose Maria Figueres, "the truth is Central America constitutes a much more important commercial partner for the United States than even the largest and most important South American economies."

"In that sense" he said, "we want to explore opportunities to join NAFTA and later negotiate our permanence there."

Those who would stay, according to Figueres, would be Nicaragua, El Salvador, Honduras, Guatemala and Costa Rica. Those countries received the most benefits from the now extinct Caribbean Basin Initiative during the 1980's, when Washington supported the military governments that muffled outbreaks of leftist insurgence along the isthmus.

A Central American summit at the end of last October in Tegucigalpa, the Honduran capital, gave birth to the Alliance for Sustainable Development, a regional formula to tackle current ecological concerns and to earn the goodwill of the White House in its attempts to join NAFTA.

A brief look at press statements on the issue reveal neither the West Indian islanders nor the Central Americans have truly overcome the existing barriers between the Caribbean nations due to their different colonial legacies.

Although their goals coincide, both subregions have different views on the possible solutions to their commercial dilemmas, which, rightly speaking, would be easier to resolve if the entire ACS functioned as a bloc.

With the weight carried by a foundation membership of 25 sovereign countries and 12 dependent territories, and the solidness of the Group of Three (Mexico, Venezuela and Colombia), the ACS would be an almost invincible interlocutor in the dialogue with the United States.

The entire Caribbean, its islands, coasts, and basin, could speak in one voice from 9 through 11 December in Miami, but just as the emerald tides of the Caribbean Sea ebb and flow and break against its coral reefs, the intentions of unity and cohesion that emerged from the Caribbean Sea on 25 July, when the document establishing the ACS was signed in Cartagena de Indias (Colombia), could remain, this time, on wet paper.

International Social Development Meeting Begins

PA2111022694 Havana PRENSA LATINA in Spanish 2232 GMT 19 Nov 94

[Report by Elsy Fors]

[FBIS Translated Text] Havana, 19 Nov (PL)—An international commission against blockades and economic sanctions as state policies has been formed by personalities from several continents, according to what Jaime Ballesteros, president of the AALAPSO [Afro-Asian-Latin American People's Solidarity Organization], reported today.

At the "People's Rights to Social Development" international meeting, inaugurated in this capital city yesterday, Ballesteros announced that the commission against the blockade will include, among others: former U.S. Attorney General Ramsey Clark, former Nicaraguan President Daniel Ortega, and veteran Algerian politician Ahmed Ben Bella.

The participants in the meeting, which is preparatory to the social development summit to be held in Copenhagen in 1995, pronounced themselves in favor of launching a crusade against poverty, deprivation, unemployment, and discrimination, which are casting a shadow on the advent of the new millennium.

AALAPSO Secretary General Ramon Pez Ferro pointed out that the hopes for peace and prosperity that emerged after the heralded end of the Cold War have not materialized, and the proliferation of local confrontations has followed the withdrawal of the threat of a world conflagration.

He warned that this scene of instability and insecurity goes against the material and technological progress achieved by mankind during the second half of the century.

Li Van Sau, of the Socialist Republic of Vietnam, is of the opinion that the meeting, which will end tomorrow with the approval of a final statement and an action program, is an important contribution to the social development summit and supports the UN initiative of promoting an "agenda for development."

Li Van Sau, as the representative of a country that has been the victim of so many wars of aggression and blockades, called for condemning the United States and demanded that it immediately and totally stop its blockade against Cuba.

He recalled that this must be a time of peace, international cooperation, and development and that blockade measures, embargos, and attempts to impose the will of one country over another are a legacy of the past that oppose the general trends and must be abolished.

Guillermo Torriello, in the name of the Anti-Imperialist Tribunal of Our America (TANA), reported on the rates of economic advancement and social recession due to the implementation of neo-liberal solutions.

Issues Final Declaration

FL2111031894 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 21 Nov 94

[Report by Alicia Cascaray in Havana; from the "NTV" newscast]

[FBIS Translated Text] The International Meeting on People's Rights to Social Development concluded today in Havana with a final declaration. The declaration denounces problems that plague the developing nations, considering their economic and social conditions.

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[Begin recording] [First unidentified speaker] Far from allowing us to utilize our available resources to their greatest potential, it accentuates dependency, improperly renounces our sovereignty, the possibility that we ourselves define our path, and strategies needed to develop ourselves. [end recording]

The fact that 1.5 billion people do not receive primary health care, in spite of scientific and technical advances, was emphasized.

[Second unidentified speaker] As education and health are being privatized, in some ways the quality of life and flexibility of our people are deteriorating.

Economic, commercial, and financial constraints imposed by the imperialist powers were also denounced.

[Third unidentified speaker] There should be not just words, but actions against blockades; above all, against the U.S. economic blockade against Cuba.

[Fourth unidentified speaker] We energetically seek the immediate, unconditional lifting of the blockade. [end recording]

Social development is a challenge that should be undertaken by all of humanity.

Vietnamese Official Discusses Economic Recovery

FL1811174694 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Nov 94

[From the "National Radio News"]

[FBIS Translated Text] Do Muoi, general secretary of the Communist Party of Vietnam, expressed his conviction, during a meeting in Hanoi with Division General Ulises Rosales del Toro, that Cuba will overcome the economic crisis it faces without giving up the socialist model. During the meeting, the Vietnamese leader explained the economic reforms implemented in his country in 1986, which have had initial successes but have also unleashed new problems such as corruption and blackmail. Rosales del Toro expressed his delegation's satisfaction with its visit to Vietnam, during which it has learned of that country's valuable experiences in the economic, social-political, and military spheres.

Agreements on 33 Projects Signed With Bolivia

PA1811212194 Havana PRENSA LATINA in Spanish 1649 GMT 18 Nov 94

[FBIS Translated Text] Havana, 18 Nov (PL)—Jaime Aparicio, the Bolivian foreign relations secretary, asserted here today, that the first session of the joint Cuba-Bolivia commission ended with the signing of 33 economic cooperation projects in several sectors.

At a news conference in Havana, Aparicio said that they signed agreements in areas such as education, health, sports, tourism, agriculture, fisheries, basic products, metal products industry, and the environment, among others.

He added that they are advancing the possibility of signing a complementary economic understanding within the mechanisms of the Latin American Integration Association (Aladi)

For the first time, Aparcio underscored, we are giving specific and concrete substance to the political level of the bilateral relations, which were renewed in 1983.

In his opinion, this will allow for the consolidation of joint work in the fields of development and others, such as the struggle against poverty and backwardness, with the help of other Latin American countries.

In this respect, he clarified that work still has to be done in preparing a list of exportable products, which will probably be ready in the upcoming semester.

Aparicio, who arrived in Havana on 15 November, headed, together with Cuban Deputy Foreign Minister Isabel Allende, the first meeting of the joint Cuba-Bolivia commission for economic and scientific and technical cooperation, which met here until last night.

During his visit to Cuba, the deputy foreign minister met with several Cuban ministers, such as Ricardo Cabrisas, foreign trade; Rosa Elena Simeon, science, technology, and environment; Armando Hart, culture; and Fernando Vecino Alegret of higher education, among others.

In his statements to the press, Aparicio indicated that Bolivia is currently making structural reforms in its foreign trade and predicted that broader levels of commercial exchanges will be achieved next year.

The current trade between Havana and La Paz is very low as it does not reach $7 million and is mainly centered on medicine, he added.

Aparicio stated that business delegations from both countries will visit during the first semester of 1995 to study areas for bilateral trade.

Hungarian Deputy Minister Seeks Improved Ties

PA2011132494 Havana PRENSA LATINA in Spanish 0340 GMT 19 Nov 94

[Report by Ulises Canales]

[FBIS Translated Text] Havana, 18 Nov (PL)—Hungarian Deputy Foreign Minister Zoltan Pereszlenyi told PRENSA LATINA today that Hungary is very interested in improving economic cooperation and commercial relations with Cuba and that "the time has come for signing new agreements."

During an exclusive interview with this news agency, Pereszlenyi described as fruitful and encouraging contacts he made with several Cuban personalities and

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leaders during his 16 November working visit at the invitation of his Cuban counterpart, Isabel Allende.

He said the most important results of his present visit is the interest of both sides in developing the existing and never broken relations, recovering what he defined as the preservable elements of these relations, and, on the basis of mutual profit, exploring new possibilities for cooperation.

He regarded the talks with his Cuban counterpart as one step forward, a step that prepares the way for future negotiations. "I hope these talks will eliminate the barriers so we can consolidate our economic and commercial relations," he said.

He added that his delegation's interest is centered on commercial ties with Cuba, because that is the most important objective of the two countries' governments.

Pereszlenyi, who was accompanied by the Hungarian Foreign Ministry's deputy director for Latin America, said that the reforms implemented separately by the two countries have created a situation that requires a reciprocal information exchange. This, he said, makes it easier "for us to revise our relations and determine areas of possible cooperation based on shared interest and mutual profit," under the new conditions. "Obviously, the reforms in Cuba interest Hungarian businessmen. In addition, the liberalization of the economy and reforms in Cuba's foreign commercial relations will make cooperation with Hungary possible," he said.

The visitor met with Cuban Foreign Minister Roberto Robaina, Foreign Trade Minister Ricardo Cabrisas, and other Cuban personalities. Pereszlenyi also said that he spoke with the leaders of areas that have never been overlooked, such as culture and scientific-technical cooperation, as well as with officials linked to the investment of capital for eventual Hungarian participation in the Cuban economy, which is now open to foreign investment. "We wish to encourage Hungarian private investors and producers to seek new relations with Cuba while taking into account the country's peculiarities," the deputy minister said.

Among the agreements signed with the host country, he mentioned a new commercial agreement and another for the protection of investments, as well as the renewal in 1995 of a pact for scientific-technical cooperation and negotiations aimed at making talks between the two ministries a regular occurrence.

To further improve ties between the two countries and peoples, an agreement to renew a consular treaty dealing with the elimination of visas is in the preparatory stage. The text of the agreement is virtually complete.

Pereszlenyi said that cooperation already existed in certain areas and that this cooperation is much more promising under the new conditions, including the manufacture of medicine, medical supplies, and in the mechanical, vehicle, and food industries, areas that offer the best opportunities for business.

Nevertheless, he said that biotechnology and biophysics can contribute to scientific cooperation and permit joint utilization and profit from research results. "We are placing our hopes in these areas," he added.

Asked on what basis the new commercial ties would be established, he said that as a result of the property relationship changes that took place in Hungary in 1989, his government is determined to incorporate itself into the market economy, therefore these ties will be in harmony with international trade practice.

He explained that large state enterprises no longer participate in this field. More and more private entrepreneurs are participating, although it is the state that secures the legal and economic framework. For this reason, we must adapt the so-called commercial agreement, he said.

Pereszlenyi said the main goal of Hungary's foreign policy is entry into the European Union as a full member. He added, however, that Hungary wants to restore and develop its relations with all countries, including Cuba.

"We greet Cuba's closer involvement in international trade. We have already begun to see unmistakable results," he concluded.

Tobacco Workers To Be Paid in Foreign Currency

PA2111205994 Madrid EFE in Spanish 2105 GMT 19 Nov 94

[FBIS Translated Text] Havana, 19 Nov (EFE)—Starting this season, tobacco workers will be paid in foreign currency to encourage an increase in tobacco production and quality. Tobacco is one of Cuba's leading export products.

A total of $3.5 million has been set aside for this purpose, according to Agriculture Minister Alfredo Jordan Morales.

All workers involved in tobacco production will benefit from the measure, which includes workers in the areas of agriculture, industry, machinery, transportation, collection, processing, seedbeds, and management.

The Cuban agriculture minister said the country "is suffering from a serious decline in tobacco production." He said, for example, that in 1981 national production was 1 million quintals, but only 360,000 quintals were produced during the most recent harvest.

"The recovery of our tobacco production is vital for the country to obtain the foreign exchange it needs. This is the reason behind this new motivational system," he said.

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He added, "It is incredible, but Cuba is currently spending $8 million to buy tobacco to guarantee the production of cigarettes for national consumption."

According to this motivational system, the first one implemented in the agriculture sector, all tobacco produced by the state as well as by other means will be paid for according to quality. This type of payment in foreign currency also has been implemented in the fishing export industry, as well as in the national power company.

Sugarcane Harvest Resources 20 Percent of 1986-90

FL2111224494 Havana Radio Rebelde Network in Spanish 1800 GMT 21 Nov 94

[From the "National Radio News"]

[FBIS Translated Text] The upcoming sugarcane harvest should reflect what sugarcane workers can accomplish despite adverse conditions. The harvest will be achieved using only 20 percent of the resources. Reporter Diosdado Maso interviewed engineer Nelson Torres, member of the Politburo.

[Begin Torres recording] An enormous effort was made by all the units and management cadres to face the challenge of the upcoming sugarcane harvest. They have shown great determination and achieved the best possible technical preparation under the current situation. The units were able to repair parts, machines, and tools needed for the harvest, which we did not have for the last two harvests, but which are available today, thanks to the spirit and efforts of the workers.

We do not yet have the ideal technical situation, due to shortages of specialized resources—we are currently operating with 20-22 percent of the 1986-90 resources. However, we are better prepared this year despite these limitations, thanks to the determination and efforts of the workers and management, which have answered the calls of Raul and Fidel Castro. There is therefore both resolve and technical preparation. [end recording]

Oil Workers Exceed 1993 Extraction Levels

FL2111162994 Havana Radio Progreso Network in Spanish 1200 GMT 21 Nov 94

[FBIS Translated Text] With the accumulation of 1.115 million tonnes of oil, approximately 75,000 over their goal, Cuban oil workers passed 1993's oil extraction levels, which means that they are in condition to reach their goal of 1.280 million tonnes by the end of the year.

Article Views Advancement of Economic Reform

PA2111172994 Havana PRENSA LATINA in Spanish 0957 GMT 21 Nov 94

[By Elsy Fors: "Reform in Agriculture, Finance, and Commerce Gains Momentum"]

[FBIS Translated Text] Havana—The Cuban economy is ending 1994 with new setbacks in the sugar industry, but it is making strong steps toward recovery and the cleansing of internal finances while the economy is becoming more attractive to foreign investments.

The government, according to First Vice President Raul Castro, has announced that the essential task at this stage of the Cuban project is survival. He also affirmed that "the risks don't matter as long as there is food for the people."

Those risks have to do with the market mechanisms, whose introduction accelerated in 1994 in the areas of agriculture and domestic commerce with the creation in the latter sector of two systems of free sale of agricultural and industrial products or crafts.

The National Assembly of the People's Government (Cuban legislature) seeks to redefine socialism to make it closer to Cubans and the classics of Marxism and to further separate it from the aberration represented by the socialism practiced in the former Soviet Union.

Government strategists seem to be preparing for a transition to a system in which public companies are profitable and the population, through the payment of taxes and higher productivity, helps improve financial health, thus reactivating the country's economy.

Official sources announced that state subsidies will be 40 percent lower in 1995 than in 1994. There will be no state subsidies in 1996, so companies will either have to be efficient or shut down.

Among the expected results of the farmers markets, which are based on supply and demand and which began operating on 1 October, is the fact that state-owned companies compensate for the reduction of government subsidies with the sale of idle surpluses or assets at that market and at the most recent industrial crafts market.

After 35 years without fiscal concerns, on 1 October Cubans began to pay different contributions as set forth in Law No. 73: Taxes on personal income and documents, collection of fees for commercial propaganda and advertisements, and the rendering of airport services for passengers of international flights. This list will grow in 1995.

For the time being, the National Assembly has decided not to tax already depressed salaries. The income of self-employed workers has already been subject to taxation through licensing fees for accreditation. The license fees vary according to the income produced by the activity for which they are granted.

Among the fiscal measures aimed at reducing the budget deficit, which at the close of 1993 was 4.2 billion pesos (equal to U.S. dollars according to the official Cuban exchange rate), and removing the over 12 billion pesos in excess currency circulating as of last July, taxes on

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cigarettes, cigars, and alcoholic beverages will allow authorities to collect 1.7 billion pesos by the end of 1994.

Regarding the country's most important industry, the fact that Cuban experts view with optimism the brokerage firms' predictions for basic products—October estimates put sugar production in Cuba at 3.5 million tonnes—which leads one to believe that this will be the smallest harvest since 1963, when Cuban sugar mills produced 3.8 million tonnes.

Ministry of the Sugar Industry officials in October blamed the drop in sugar production on errors and internal inefficiency, which resulted in the production of just 4 million tonnes in the 1993-94 harvest, as compared to 4.2 million in 1992-93, and 7 million in the 1991-92 harvest.

By the end of 1993, total commercial exchange will show an 11.1-percent decrease from 1992, and 72.9 percent from 1989. The reduction in imports caused a drop in economic activity in terms of the GDP to the tune of 50 percent between 1989 and 1993.

In 1994, exports showed a slight 3.5-percent increase, showing signs of the beginning of recovery.

The process of opening to foreign investment resulted in the establishment of over 500 companies on the island and 165 commercial partnerships created with foreign capital.

The basic orientation of the reform is decentralization, with the promotion of cooperatives on state-owned land and more participation by small farmers. They must exert a decisive influence on the reactivation of the most important activity of the Cuban economy.

The only activities that registered growth in 1994 are tourism, petroleum exploration, and nickel production, which account for the bulk of foreign investment in the country. In the meantime, the effects of the development of biotechnology, which has great economic potential, cannot be felt due to the delayed paperwork for the entry of these products into domestic markets.

This is the picture before the Cuban legislature at the end of 1994. It gives some analysts hope that the situation will improve, but its beneficial effects will not be reflected until the end of the century.

Roundup of Economic Developments

FL1911192194

[FBIS Editorial Report] The following is a compilation of reports on Cuban economic developments monitored through 19 November.

In the last three years, Cuba has experienced an increase in tourism five times greater than other Caribbean countries and the rest of the world. In 1993, over 700,000 tourists visited Cuba and over 800,000 tourists are expected in 1994. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Nov 94)

In Santiago de Cuba Province, over 3,000 houses—of these 2,500 are low-cost houses—will have been built during 1994. To date in Cuba, a total of 20,000 houses have been built. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Nov 94)

A total of 14,600 cans of coffee have been collected at the La Paloma Basic Cooperative Production Unit, in La Palma Municipality, Pinar del Rio Province. (Havana Radio Progreso Network in Spanish 1200 GMT 17 Nov 94)

Beginning with November, lobster fishermen on the Isle of Youth will donate part of the income accrued by exceeding catch goals to the local hospital, Heroes del Baire. The fishermen have captured over 800 tons of lobster so far in 1994, surpassing their goal by seven percent. (Havana Radio Reloj Network in Spanish 2033 GMT 17 Nov 94)

The Cuban metal industry has delivered over 400,000 bicycles since mass production began in 1991. The bicycles are produced by seven enterprises, which are currently working to perfect the design and make them lighter. (Havana Radio Reloj Network in Spanish 2034 GMT 17 Nov 94)

House construction has increased in Ciego de Avila Province. So far, 1,043 houses were completed in 1994, exceeding construction in 1993. (Havana Radio Reloj Network in Spanish 2042 GMT 17 Nov 94)

Milk production in Camaguey Province has decreased from approximately 140 million liters in 1989, to approximately 85 million liters in 1994. It has become necessary to take measures to reorganize production, storage, and distribution. However, Camaguey continues to be the main milk producing province, with over 230,000 liters a day. (Havana Radio Reloj Network in Spanish 2057 GMT 17 Nov 94)

The French tobacco company (Ceda), in cooperation with Cubatobaco, has just placed mini-cigarettes, made with 100 percent Cuban tobacco, on the market under the brand name Cojiba. Produced in Southern France, a pack of 20 cigarettes costs 50 francs, or $8.50. (Havana Radio Rebelde Network in Spanish 1329 GMT 18 Nov 94)

In Ciego de Avila Province, farmers markets' sales have totaled approximately 6 million pesos during the first 44 days of business. During the same time period, the state collected 701,000 pesos in taxes. (Havana Radio Progreso Network in Spanish 1200 GMT 18 Nov 94)

Santiago de Cuba is in the final stage of sugarcane winter planting with almost 310 caballerias planted so far, only 30 caballerias short of achieving the campaign goal, which workers will try to surpass, planting 23.4 additional caballerias. Therefore, one of the largest winter

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harvests in the last ten years could be expected. (Havana Radio Reloj Network in Spanish 2052 GMT 18 Nov 94)

La Loma Basic Cooperative Production Unit of La Palma Municipality, Pinar de Rio Province, has achieved 102 percent of their goal by harvesting 1,616 arrobas of coffee. (Havana Radio Rebelde Network in Spanish 0000 GMT 19 Nov 94)

Council Created To Improve Havana's Image

PA1811150794 Havana PRENSA LATINA in Spanish 0255 GMT 17 Nov 94

[FBIS Translated Text] Havana, 16 Nov (PL) Some of the fundamental objectives of the Executive Council for City Planning, which was created today during the celebration of the 475th anniversary of the city's founding, are to improve the image of the capital and the quality of life of its residents.

Following the creation of the council, Gina Rey, director of the group for the integral development of the city, said we have witnessed Havana's power of convocation, the reason why we can optimistically say the step we have taken will contribute to the birth of a wide movement in its support.

Representatives of the economic, social, and cultural sectors of the city, which has more than 2 million residents, agreed to dedicate their efforts to implementing the project, which also contemplates protecting the historical and artistic patrimony, the natural surroundings, and Havana's secular traditions.

According to City Historian Eusebio Leal, there is a genuine desire to support the actions of that place, which he defined as a courageous symbol of resistance and a social project.

It is hoped with these plans the Cuban capital will merge into a resourceful area with repercussions throughout the geographical-hemispherical sphere, with an efficient, sustained, socially equitable, and participative economy.

According to Rey, the project was inspired by the affection and concern of Havana's residents and institutions that are interested that the city will substantially contribute to the economic development that is required by the nation.

Rey said Havana is rising to the challenge in that sense faced by the entire island: to maintain a decent standard of living and the achieved social conquest, despite the difficult economic times which it is enduring.

Inter-Caribbean Affairs

Official: Caricom 'Optimistic' About Summit

FL1811174794 Bridgetown CANA in English 1653 GMT 18 Nov 94

[FBIS Transcribed Text] Bridgetown, Barbados, Nov 18, CANA - Caribbean Community (Caricom) countries are somewhat "optimistic" that the United States administration will include issues of concerns to the region on the agenda for next month's Summit of the Americas, according to Trinidad and Tobago's Foreign Minister, Ralph Maraj.

Maraj told the CARIBBEAN NEWS AGENCY Friday that while Caricom was not in a position to "really influence" the final document for the December 9-11 summit in the way it would have liked, it was "a bit more optimistic" about getting its concerns addressed, following a meeting between Caricom and United States officials in Jamaica on Thursday.

"From the meeting so far, we are getting the impression that there is some sympathy towards the suggestions that the Caricom countries have been making," Maraj told CANA.

"As a result of the meeting that we have had, we feel a little bit more optimistic," Maraj added.

Asked if Caricom got its message across to US officials about its concerns about the agenda, Maraj said: "We got across that message very clearly indeed and the response from the US administration suggested that they are indeed willing to include some of our suggestions in the final document".

Several Caricom heads and foreign ministers are meeting in Jamaica to forge a common approach to the summit and discuss the region's concerns about the summit's agenda.

The Trinidad and Tobago foreign minister said while there are many issues in the draft agreement that Caricom was "in agreement with", there are other issues it would like to see on the agenda.

"We are looking at matters like market access, the whole question of trade, the question of security in the region with respect to developments that have been taking place, control of the drug trade, increasing trafficking in arms, for example...," Maraj explained.

He also referred to "the whole question of sustainable development and poverty alleviation and the need for efforts to be made to help in the reconstruction of societies that are at present undergoing underdevelopment".

He listed the more critical areas of concern to Caricom as the debt problem that is "styimieing development" in countries of the region and the question of market access for Caricom goods amid the emergence of trading blocs such as the North American Free Trade Agreement (NAFTA).

"We are looking at having some reference to that (debt problem). Whether that is going to come about we don't know yet," Maraj remarked.

He said Caricom officials have been "having discussions" with the US administration and had already forwarded suggestions for inclusion on the draft agreement for the summit.

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"We have not received the response from the United States administration because other regions were tardy, according to the United States, in sending their own suggestions," Maraj reported.

He added: "But it is expected that by the time the final preparatory meeting is held in Virginia on the 27th and 28th, we would have had a response and a further opportunity to make an input."

U.S. Decision To Develop Tourism Poses 'Threat'

FL1811205394 Bridgetown CANA in English 2035 GMT 18 Nov 94

[FBIS Transcribed Text] Santo Domingo, Dominican Republic, Nov 18, CANA—The president of the Caribbean Hotels Association [CHA], Royston Hopkins, said on Friday that the region's tourism industry could face a new threat from the United States' decision to concentrate on developing its own industry.

"The U.S. has now realised that they want to get into the act proactively," Hopkins said on the final day of a two-day "Greater Caribbean Business Meeting" here organised by the British, French and Dominican Republic chambers of commerce. Hopkins said that with tourism generating billions of dollars in revenue and employing a substantial number of people, "it is not by accident that U.S. President Clinton was organising a tourism conference in November 1995."

"I don't think we have to ask what is the object," he said, noting that the U.S. plans included the need to develop industry and "to concentrate on inbound tourism-....which is definitely a threat to us." Hopkins said that the region could, however, still manage to compete effectively with the U.S. given the strength of the U.S. economy. But he said the "objective is to get their fair share of the tourism pie".

"Increased competition worldwide is a reality...," he said.

He called for a regional approach to such things as advertising. Hopkins said that a recent regional approach to advertising in the United States had borne tremendous benefits for the region, with travel agents expressing a heavy interest in islands involved in the blitz.

"We are very hopeful with this regional approach in the North American market. You will galvanize and get more of the private and public sector involved in a much more positive way to have the fund (to finance the blitz) self-sustaining". Hopkins outlined the areas of cooperation undertaken by the Puerto Rico-based CHA and other agencies involved in tourism. He said there were problems, including the availability of airline services to the region to sustain the cooperation efforts of the various organisations in the tourism sector. He said apart from two major airlines there were a lot of other airlines "flying in and around, every one of them losing money". He added: "...We have no real regional air carrier at our disposal to really control our destiny vis a vis air travel in and out of the Caribbean". Hopkins said in addition to that problem, the region has traditionally lacked control of its product distribution "because the major tour operators dictate where we get our tourism from and there is obviously a dire need for us to work towards controlling our product distribution". Marketing has also been a problem, said Hopkins, who called for a "specific marketing approach". He said the recently formed Association of Caribbean States (ACS) could provide the fillip for marketing the region properly, adding: "This region, like all other regions, is coming to recognise that we can't go out there as Grenada, Santo Domingo ....but we've got to form ourselves into a wider body."

Haiti

U.S. Troops Prevent Lynching in Cap-Haiten

FL2111215294 Port-au-Prince Signal FM Radio in French 1130 GMT 21 Nov 94

[FBIS Translated Text] On the night of 20 November, U.S. troops totally surrounded the city of Cap-Haitien, the country's second most important city, located 260 km north of the capital, following serious incidents provoked by the arrival in the city of a small detachment of Haitian military from Port-au-Prince.

According to a correspondent AFP contacted by phone, the arrival in the morning of a vehicle carrying 10 Haitian military in khaki uniforms—not identified as retrained officers or soldiers—provoked the anger of the population, who blocked the truck's passage and uncovered weapons beneath mattresses and camp beds. The U.S. troops then intervened to prevent the lynching of the 10 soldiers, who were accused by the demonstrators of having attempted to restore the former civilian-military regime.

The Haitian military keenly protested, in vain, that they had been sent by President Jean-Bertrand Aristide, and the U.S. soldiers could barely shield them from the furor of the crowd, who wanted to lynch them and take them to the arsenal, the principal military quarters of the city, following the death of a child by the accidental explosion of an unidentified explosive device in a slum neighborhood. This explosion, which also injured two others, intensified the demonstration, turning it into a riot of several thousand people, including many youths. An uncontrollable public rumor linked the two incidents, blaming the Haitian military for the explosion. In view of the intensity of the protest, the U.S. troops massively intervened to end the riot.

Volel Demands Disarmament of Army, Police

FL2111220794 Port-au-Prince Signal FM Radio in French 1130 GMT 21 Nov 94

[FBIS Translated Text] Eddy Volel pounds the table with his fist. He adamantly demands the elimination of the

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Haitian Armed Forces and has taken a stand in favor of a thorough reform of the government's institutions.

Volel has demanded the systematic disarmament of the Haitian military and police auxiliaries to facilitate a true climate of peace in the country.

[Begin Volel recording, in Creole] The people do not at all need the Haitian Army. Armed policemen are equivalent to a criminal Army, to the Revolutionary Front for the Promotion and Progress of Haiti [FRAPH], to macoutes, and to CIA agents. Guns kill people's sons and contribute to coups d'etat just like submachine guns [as heard]. Besides, the Army and attaches have always concealed many weapons, with which to create disorders. We must treat those people the way they treat us. We in the Christian Democratic Assembly [RDC], who remember Izmery, Malary, Yves Volel, and Cite Soleil, say together with the people that the Army, including generals and section chiefs, must be eliminated. We must arrest all those who have committed acts of vengeance and who are committing acts of vengeance. This is Eddy Volel for RDC. [end recording]

Poisson Reshuffles Army General Staff, High Command

FL2111143894 Port-au-Prince Signal FM Radio in French 1130 GMT 21 Nov 94

[FBIS Translated Text] It was announced in the Haitian capital on 19 November that Army Commander in Chief Brigadier General Bernadin Poisson has appointed a new military high command. This new military command is composed as follows: Two colonels including Martial Romulus and Mondesir Beaubrun have been promoted to the rank of brigadier general. Seven lieutenant colonels have been promoted to the rank of colonel. Three majors have been promoted to the rank of breveted lieutenant colonels.

Commander in chief: Brig. Gen. Bernadin Poisson;
Assistant commander in chief: Brig. Gen. Martial Romulus;
Chief of General Staff: Brig. Gen. Mondesir Beaubrun;
Adjutant general: Col. Jean-Brunel Goby;
Inspector general: Col. Jean Jonas;
General Staff G-1, (?in charge of the Army) personnel: Col. Jodel Lesage;
General Staff G-2, intelligence: Col. Coulanges Justafort;
General Staff G-3, operations and training: Col. Antoine Atouriste;
General Staff G-4, logistics: Col Jean-Robert Rene;
Secretary of the General Staff: Col. Jose Jean-Eugene;
Army spokesman: Col. Appollos Laurore;
Commander of the infantry units of the General Headquarters: Col. Marc Antoine Metellus; and
Chief of the weapons service: Major Jacques J. Thomas.

The commanders of the military departments are:
Lt. Col. Franck Celin for the North;
Lt. Col. Jacques Denis for the South;
Col. Jean-Lucien Cazeau for the West;
Lt. Col. Louis-Jacques Beaudouin for the Northwest;
Lt. Col. Auguste R. Jerome for the Northeast;
Lt. Col. Casimir Louis for Grand'Anse;
Col. Jean-Robert Gabriel for the Southeast;
Lt. Col. Michel-Ange for the Center; and
Col. Belony Groshomme for Artibonite.

Major Lener Renaud, former commander of the police garrison of Delmas, east of the capital, has been discharged. Three other officers were discharged on 17 November. They were Lt. Col. Irvine Mehu, former commander of the Military Department of the West; Maj. Appollon Medassier, deputy commander of the Artibonite Military Department; and Captain Gerald Larochelle.

Trinidad and Tobago

Attorney General Denies Role in Opposition Leader's Arrest

FL1811181094 Bridgetown CANA in English 1730 GMT 18 Nov 94

[FBIS Transcribed Text] Port of Spain, Trinidad, Nov 18, CANA - Trinidad and Tobago's Attorney General, Keith Sobion, has denied the government or ruling party had any hand in Wednesday's arrest of opposition leader Basdeo Panday.

He also told reporters that the attorney general, under the constitution, has no authority to tell the Director of Public Prosecutions (DPP) to lay charges against any individual and no such direction was given by him in the matter.

"I say this to refute once and for all the absurd proposition that the government or the ruling party of this country in any way influenced the arrest of Mr Panday.

"Every player in this unfortunate scenario beginning with the complainants, their lawyers, the accused and his lawyers are connected to the (opposition) United National Congress (UNC).

"Even the place where the alleged incidents took place is under the control of the UNC," Sobion said Thursday evening during a press conference.

"It is unfortunate that Mr Panday as a lawyer should now seek to make a political football of an ordinary criminal investigation.

"The laws of this country operate in the same way for all citizens whether you be canefarmer, businessman or leader of the opposition. No-one is above the law."

The police on Wednesday charged Panday on three counts of indecent assault and two on attempted rape. Panday claimed the action was part of a political plot to destroy the party before the next general election, which is constitutionally due by 1996.

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Panday said the ruling People's National Movement (PNM) led by Prime Minister Patrick Manning, a group of influential businesses and drug barons, wanted to discredit the UNC's leadership and the party because two polls favoured them to win the next elections.

Three former constituency office workers alleged that the acts were committed between 1992 and 1994. The allegations against Panday were first made at a recent rival political platform or "Monday Club" which is led by dissident UNC member Hulsie Bhaggan, before they were reported to the police.

Panday later took legal action against the persons for their statement and had called upon the police to prosecute them for criminal libel and public mischief.

Sobion called the press conference to deal with what he called "another attempt to make a mockery of our system of justice and to undermine constitutional institutions" here.

"This is a simple criminal case alleging personal misconduct to the law of the land and has nothing to do with politics," he said.

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Commentary Decries U.S. Pacific Trade Policy

PA1811191094 Mexico City EL FINANCIERO in Spanish 15 Nov 94 p 49

[Commentary by author Jose Angel Conchello, member of the National Executive Committee of the National Action Party: "The Jakarta Conspiracy"]

[FBIS Translated Text] Far off in Bogor, a small tourist town near Jakarta, the capital of Indonesia, the United States—no matter who has won the elections, Republicans or Democrats—will achieve another victory on its way to hegemony in the new world order: taking the domination of Asia right out of the pocketbook of the Japanese and delivering another strategic blow to the GATT. It was just yesterday that the U.S. secretary of state said: "In foreign policy, a change of party does not mean a change of course." This should remind us that in foreign policy, the Americans do not have ideals; they have interests.

The United States will manage this with the approval of the 18 heads of states that comprise the undefined ameboid Asia-Pacific Economic Cooperation (APEC), in a major attempt at turning it into a free trade zone by the year 2020. Our country, by way of its government, has played two equally reproachable roles in this intelligent U.S. conspiracy.

First: Last year, the day after the U.S. Congress approved the North American Free Trade Agreement with Mexico and Canada, President Clinton turned up in Seattle at an APEC board meeting (where he had never been before) with the NAFTA file under his arm, just to show that he was capable of dominating a neighbor as strong as Mexico. He had control over a market—so praised by the wealthy here—of 380 million consumers. According to the Yankee press, this was his winning play to go up against the APEC negotiators. Mexico's weak negotiations helped strengthen the U.S. position within the Pacific basin.

About two months ago, I learned from an article by Alva Senzek published in EL FINANCIERO (thank you, madam), that a group of "eminent" individuals had prepared a document entitled: "Achieving the APEC Vision of Free and Open Trade in the Asian Pacific." The document sets the course for turning the association, where the members were not countries "but economies," into a free trade zone. I was quite angry and even outraged when I saw the original document.

Strangely enough, the group of eminent personalities who signed and presented the document includes the government officials who represented their countries at APEC. "We are all participating in the group of eminent personalities on our own behalf, more than as representatives of the respective governments that appointed us." (Obiter dictum. Let me say, "just in passing," that I am also writing on my own behalf and not in any capacity that I may be ill-suited to perform).

That is just Chinese malarky, I said to myself, putting it into an Asian context, because the list was headed by Fred Bergsten, former director of the National Security Council [NSC], followed by the representatives of Thailand, the Philippines, Australia, China, Japan, Korea, and so on and so forth. Each and every single official participated or signed the document. Jesus Reyes Heroles, a leading official of the Treasury and Foreign Relations Secretariats, a private consultant and public figure, signed on our country's behalf.

Do you really believe that Reyes Heroles is capable of taking a single step in foreign relations matters without consulting the young president? Could it be that the former NSC director is capable of taking the initiative without talking to the White House or that Ippei Yamazawa San, an adviser at the Japanese Foreign Ministry, would dare not to consult? They surely must have requested instructions from their governments to draw up the document. It is even more suspicious for the American to be at the top of the list. The governments seem to have negotiated in such a shameful, covert manner, that they did not even dare to make their own proposals publicly. They had their grooms stick their necks out instead.

In Mexico's case, there would surely have been unrest if they had appeared this year to be promoting a U.S.-Asian treaty, particularly following the division that the unloved NAFTA left in the public opinion. They chose to present us with consummated acts.

It turned out later that the eminent group's document had been published and distributed by the APEC secretariat as an official document. Now they are supposedly launching it in Jakarta as if it were some big surprise. The eminents' memo outlines an agreement that focuses on the very same issues the United States has been fighting for in other treaties, such as: defense of copyrights, national treatment of investments, dispute resolution procedures, and strict anti-dumping and compensation measures; thinking of China, Indonesia, or Thailand. There are already discussions on setting an agenda or timetable to prevent all this from getting lost in talks. Now the chiefs of state will simply sign what was probably mostly drafted in Washington.

For the Americans, the tactic of signing bilateral agreements with individual countries or partially multilateral treaties—such as the Hemispheric Free Trade Zone Agreement—helps them negotiate with strong or weak adversaries, as they did with Mexico, Canada, Israel, Chile, and whoever else comes along. Agreements such as these would give them the negotiating power to defend their interests at the World Trade Organization, if the United States approves the GATT in a Republican Congress.

Many a time I ask myself whether our illustrious negotiators really believe that Mexico's economic interests have anything in common with U.S. political interests. I do not. Do you?

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Commerce Secretariat Issues Anti-Dumping Resolutions

PA2011021694 Mexico City NOTIMEX in Spanish 2151 GMT 18 Nov 94

[FBIS Translated Text] Mexico City, 18 Nov (NOTIMEX)—The Commerce Secretariat today issued three final resolutions on three anti-dumping investigations related to the import of special kinds of steel, machinery, electrical items and materials, and bond paper.

The first resolution refers to a report filed by the Iron and Steel National Chamber of Commerce, which believes there has been unfair trade practices in the import of special Brazilian steel.

The Secretariat found that, during the period studied, 1 July to 31 December 1992, the prices of the imported products that were investigated were lower than those of similar local products, although the imported volume was insignificant. The Secretariat remarked that the foreign purchases of special steel, included in 10 tariff subcategories, did not at all harm the national industry of special steel and that, for this reason, no compensatory quota needed to be applied.

The Secretariat also investigated the import of Taiwan-made machinery, electrical items and components, as well as the volume and price conditions under which the products entered Mexican territory. In this particular instance, the office decided not to apply offsetting quotas to the goods described under subcategory 8513.10.99, which includes flashlights designed to operate with two "AAA" batteries, flashlights fitted with a mechanism to control the light beam, fluorescent lamps, amber or spot lamps, and lamps with plastic handles.

In addition, the office confirmed a resolution issued on 1 October 1993 applying a final 129-percent compensatory quota on imports of machinery and electrical items and components, all of which are listed in various tariff subcategories. The office also said it will apply a final 51.4-percent compensatory quota to imports of merchandise described under tariff subcategory 8509.02, Taiwan-made products manufactured under license from Black and Decker Corporation and Black and Decker International Corporation. The office decided to leave without compensatory quotas the merchandise listed under subcategory 8513.10.99 and canceled the quotas paid by articles described under subcategories 85.01 to 85.48. The compensatory quotas imposed through this resolution will be applied on the declared customs value mentioned in the corresponding import request and will be separate from the collection of the applicable tariff.

Another resolution refers to the report filed by the National Chamber of Cellulose and Paper Industries against the imports of bond paper from the United States, regardless of the country of manufacture. In this instance, the office set the investigation period from 1 July to 31 December 1992 to check whether or not the import of such goods harmed local production.

The resolutions, published in the federation's gazette on Friday, will come into effect tomorrow Saturday.

Tabasco Elections Held in 'Atmosphere of Peace'

PA2111205894 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 21 Nov 94

[Report by Gerardo Segura from the "Early Morning" newscast—passages within quotation marks recorded]

[FBIS Translated Text] In the state of Tabasco at about 0800 yesterday, the first rays of sunshine started to gradually heat up the political activity. Tabasco citizens fulfilled their civic duty, even though a little more than 50 percent of the 836,537 people eligible to vote abstained.

Meanwhile, the main gubernatorial contenders, Roberto Madrazo of the PRI [Institutional Revolutionary Party] and Manuel Lopez Obrador of the PRD [Party of the Democratic Revolution], talked about democracy and honest elections:

[Unidentified reporter] "Did democracy win, Sir?

[Madrazo, identified by caption] "I hope so, because we have all strived to strengthen it.

[Lopez; identified by caption] "I hope that peace will prevail and that these elections will conform to the law."

In fact, honesty was among the citizens' main demands:

[First unidentified speaker] "The elections are taking place within a legal framework here in Tabasco. I think that these will be honest elections.

[Second unidentified speaker] "I hope that we will have a very good governor who will take young people into account.

[Third unidentified speaker] "We want the winner to be respectful."

There was no widespread violence, although there have been a few incidents since the evening of 19 November, including attempts to obstruct the work of certain officials of the State Electoral Institute and the municipal police.

Generally speaking, the elections here in Tabasco were held amid an atmosphere of peace and tranquillity. In certain places, such as San Carlos, Macuspana Municipality, there was some violence, but only minor incidents.

Early returns in most of the polling stations favor the PRI, followed by the PRD and PAN [National Action Party], according to a report issued by the (Prepel) of the State Electoral Institute.

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[Electoral adviser Jose Ertze] "I can tell you with certainty that up until now—that is, after having counted 455 polling stations—little less than 60 percent cast votes for the PRI and between 32 and 33 percent cast votes for the PRD. This is not a projection of the final result but an initial estimate."

Meanwhile, observers backed the initial reports and underscored the honesty and tranquillity that prevailed in Tabasco.

[PRI Senator Ricardo Monreal] "This was a civic, rational, civilized, and peaceful election. We must admit, however, that the turnout was low."

Municipal Elections Held in Tlaxcala

PA2111205694 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 21 Nov 94

[Report by Bernardino Vazquez; from the "Early Morning" newscast]

[FBIS Translated Text] Municipal elections have been held in the state of Tlaxcala. There were 172 mayoral candidates representing 10 political parties vying for seats in the state's 44 municipalities. The elections took place amid an atmosphere of peace, and only minor incidents were reported, such as the late installation of several polling stations. These elections are different from earlier ones. For example, for the first time the term will be four years.

[Begin Tlaxcala Governor Jose Alvarez recording] These municipal presidents will now rule for four years. This will ensure that elections for governors, deputies, and mayors are held in four years. [end recording]

New legislation, which was approved by the Tlaxcala Congress on 18 August, was applied in these elections.

[Begin Alvarez recording] Citizens are involved in all electoral organizations. This means that the process of organizing and evaluating the elections is no longer in the hands of the government or political parties but, rather, in the hands of citizens chosen through a drawing from the electoral register and tasked with organizing and evaluating the elections. [end recording]

Voting trends are favoring the Institutional Revolutionary Party, although opposition parties have a good chance of winning a greater number of mayoralties. They currently hold 13 seats, while 41 are in the hands of PRI politicians.

Trailer Loaded With Ammunition Detained

PA2211004594 Mexico City NOTIMEX in Spanish 2030 GMT 21 Nov 94

[FBIS Translated Text] San Luis Potosi, 21 Nov (NOTIMEX)—Hector Mata Cota, a representative from the Office of the Attorney General of the Republic [PGR], disclosed today that Federal Judicial Police agents have detained a trailer carrying a shipment of 18 tons of high-power ammunition.

Mata Cota said that the Federal Public Service trailer was intercepted on Sunday in the central state of San Luis Potosi because the agents thought the vehicle looked suspicious.

He explained that all vehicles carrying this type of cargo must do so under surveillance, and that the vehicle in question is very old and does not meet the required security conditions.

Mata Cota pointed out that the vehicle is now at the local PGR facilities and that thus far, the identity of the driver and the destination of the shipment are unknown.

He explained that employees from the 12th Military Zone came to the PGR to cooperate in the investigation and denied that the shipment has been sequestered or confiscated, adding that it is being held for investigation.

He added that the pertinent authorities will release an official report on the case after the necessary investigation has concluded.

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El Salvador

Police Director on Joint Group Recommendations

PA1711142694 San Salvador LA PRENSA GRAFICA in Spanish 14 Nov 94 p A-3

[FBIS Translated Text] Rodrigo Avila, director of the National Civilian Police [PNC], said yesterday Joint Group recommendations are not specific and do not provide sufficient elements to begin an investigation, thus justifying that the Special Unit created for these investigations still has not yielded positive results.

"The report is not specific; it is very subjective in many of its points of view," Avila said about the document issued by those investigating the existence of illegal armed groups with political motivations.

For this reason, he added, "a more in-depth investigation is needed, and many of the cases are irrelevant, not by what happened but, rather, in its informational content."

Despite this point, Avila said, the Special Unit is being trained and reinforced and is investigating certain actions by alleged organized crime.

The PNC director said the Special Unit has faced a series of limitations, such as the lack of training and personnel. "Do not think a detective can be trained overnight. It takes a long process to form an investigator," he said.

The police chief replied to last week's comments by Diego Garcia Saya, chief of the ONUSAL [UN Observers for El Salvador] Human Rights Division, who has expressed regret that the Special Unit, comprised by 21 carefully selected members, still had not yielded results due to the lack of proper resources, training, and leadership.

Garcia Sayan has said "Joint Group recommendations take on a special significance given that current organized crime and politically motivated criminal actions are two faces of the same coin, which could endanger the peace accords."

Orlando Quintero, head of the FMLN [Farabundo Marti National Liberation Front] faction in the Legislative Assembly, has said it would be good if the organizations entrusted with following up on the peace accords check out Joint Group recommendations to see how they fare, because there is a lack of compliance. He has said this point is due to the lack of government political resolve to carry them out.

The deputy has said that there is a show of appearance and that the government has a lukewarm resolve, but when investigations or measures begin to affect their interests, everything stops right there.

The left-wing leader has recommended to President Armando Calderon Sol completion of the peace process by following all the recommendations.

ARENA [Nationalist Republican Alliance] Deputy Norman Quijano has ruled out, however, that there is a lack of political resolve in complying with the recommendations, because the government has always expressed its willingness to fight organized crime.

Quijano has expressed regret over last week's murder of FMLN leader David Faustino Merino but has said it still cannot be said whether this act was the deed of illegal gangs or common criminals.

The deputy has said, nevertheless, death squads are often a myth that is frequently used to run down the government. Definite proof has never been presented to carry out an investigation.

Guatemala

De Leon: Central America To Negotiate NAFTA as Bloc

PA2211041894 Guatemala City PRENSA LIBRE in Spanish 21 Nov 94 p 157

[FBIS Translated Text] Guatemalan President Ramiro de Leon Carpio has announced that Central American countries will negotiate as a bloc with Mexico their possible incorporation into NAFTA, signed by Canada, the United States, and Mexico.

Meanwhile, Mexican President-elect Ernesto Zedillo reiterated what he has said in other Central American countries he has visited in the past few days, that is that Mexico is willing to support Central America in seeking a broader NAFTA.

De Leon Carpio said Gautemala is the only country having borders with the NAFTA economic bloc, viewed as the largest in the world. He added that this can be positive or negative, depending on future negotiations.

Within that context, Central American presidents have agreed to act jointly during negotiations with Mexico and the other NAFTA members.

Defense Minister Suspends U.S. Trip Due to Suit

PA2211044094 Guatemala City PRENSA LIBRE in Spanish 19 Nov 94 p 2

[FBIS Translated Text] Defense Minister General Mario Enriquez Morales will suspend his trip to Washington, United States, which was scheduled for 29 November, because Jennifer Harbury is filing a lawsuit in the United States against eight ranking Guatemalan military officers due to the disappearance of guerrilla commander Efrain Bamaca.

During a news conference at his office yesterday, Gen. Enriquez Morales openly said that his trip to the United States has been canceled for the time being, but it is quite certain that he will travel when the hostile atmosphere resulting from the complaints filed by Harbury and certain guerrillas has subsided.

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Enriquez Morales met on Thursday with State Department Assistant Secretary John Shattuck and U.S. Ambassador Marilyn McAfee, and thereafter decided against traveling to the United States, where he had engagements at the universities of Harvard and Boston and in southern Florida.

At these universities he was to lecture on the Guatemalan peace process and the role the Army will play after the internal war is over.

Although the ranking military chief said he had planned to visit the Joint Chiefs of Staff and William Perry, who is in charge of the Pentagon, he said he had not planned to visit the State Department because on a previous visit with those officials he was asked about the Bamaca case every time he entered an office.

Enriquez Morales maintains that Harbury is playing up to the guerrillas and asked: Who could be financing the North American?

Army Requests Tomuschat as an Adviser

Defense Minister Enriquez Morales said yesterday that the Army will ask President Ramiro De Leon Carpio to propose Christian Tomuschat as his human rights adviser, anticipating the signing of peace and the postwar phase.

I sincerely request that he advise us on human rights; then he would realize that we do not give the president orders, said Enriquez Morales yesterday, explaining also that the military does not influence the president's decisions.

Enriquez, knitting his brow, said he had read Tomuschat's remarks and, in fact, he was not pleased with them because the UN official had, on one occasion, met with the Guatemalan military high command, who explained their duties.

Although I admire him, I do not share his view that the military manipulates the president or that we have not observed human rights. Ever since the peace process began, the Army has taken an interest in training its members in human rights, and in the future, it will develop social projects, Enriquez Morales said.

European Union Grants $40 Million in Aid

PA2211041394 Guatemala City PRENSA LIBRE Spanish 19 Nov 94 p 6

[FBIS Translated Text] Foreign Relations Minister Marithza Ruiz said yesterday upon her return from Europe that the European Union will grant Guatemala $40 million to reinforce the country's peace programs.

She added that during her stay in Strasbourg, France, she went before the European Parliament and explained Guatemala's headway toward peace.

She explained that the Europeans offered $40 million, which will be complemented with other programs once a peace agreement is signed.

She said that she met with parliament bloc leaders to explain Central America's benefits from the European Generalized System of Preferences [GSP] and the importance of including, when it is renewed, agricultural and certain industrial products currently not in the program.

The foreign minister stated that European politicians show great interest in our area as well as the impact NAFTA, the GSP, and the Miami hemispheric summit will have.

Regarding her trip to Brussels, Belgium, the official said that she met with EU Commissioner Manuel Marin, who expressed interest in helping to ensure increased aid for Guatemala after a peace agreement is signed.

In this regard, she stressed, headway was made to channel the $40 million in cooperation as well as other future programs.

Nicaragua

Military Command Accepts New Army Chief Proposal

PA2211005394 Managua BARRICADA in Spanish 21 Nov 94 pp 1,10

[Passages in italics as published]

[FBIS Translated Text] Today starts ticking off the 30-day deadline President Chamorro has to affirm or reject the proposal made last week by the EPS [Sandinist People's Army] Military Council to substitute General Humberto Ortega with Major General Joaquin Cuadra as the new Army chief.

According to the *Military Code* approved in September by the Legislative Assembly, President Chamorro should appoint on 21 December a new military chief to assume the post on 21 February, when General Ortega should retire.

BARRICADA has learned in exclusive information that General Humberto Ortega had presented the initiative for Cuadra Lacayo to succeed him in the post. This measure was unanimously accepted by the high-ranking military command.

Our sources have said the EPS has adjusted to, as is the custom, and even acted ahead of what is established in the new *Military Code* by remitting to the president its proposal on 17 November.

Ortega Proposed Cuadra

The succession of Ortega Saavedra was proposed two days before at the Military Council meeting. All, from

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the current commander in chief on down, have supported the initiative as a normal procedure in the change of commands.

The proposal of the highest-ranking military officers to the chief of state took place in silence, while several media speculated, mentioning the names of other staff military members for the position.

Ortega Saavedra has reiterated his long stay at the front of the EPS is the result of prior plans of the high commands so as to give the Armed Forces the necessary institutionalization that was gradually achieved.

Humberto in Cuba

The EPS' unity is demonstrated regardless of the current absence of General Humberto Ortega, who has been on a private visit since 18 November to Cuba, where he is to meet with President Fidel Castro and Defense Minister Raul Castro, among other activities.

President Chamorro has the power to reject the Military Council's proposal according to the *Code*. Nevertheless, it does not seem this act will occur, because the appointment of Major General Cuadra was always considered to be the most probable. An additional factor is that he is the only officer who has not only the consensus but also the unanimous support of all the EPS members.

Ortega will retire on 21 February 1995 when, Major General Joaquin Cuadra will assume the command of the Armed Forces during a special ceremony during which he will pledge loyalty to the EPS, the *Constitution*, and the laws, therefore, to civilian power.

Cardenal Obando Spoke

Meanwhile, following the mass at the cathedral, Cardinal Obando y Bravo has said the change of command within the EPS should be carried out as specified by law, and he reaffirmed once again the military institution should be removed from all partisan activity.

When asked about the appointment of Major General Cuadra as EPS chief, Obando said he would wait for his appointment to the helm of the institution before expressing an opinion on the military's performance.

Government Accused of Plotting 'Coup' Against Assembly

PA2111173194 Managua Radio Nicaragua Network in Spanish 1230 GMT 21 Nov 94

[From the "News Flash" newscast]

[FBIS Translated Text] National Assembly President Luis Humberto Guzman made menacing statements to the media this weekend when he pointed out that diplomats and businessmen have told him that members of the government are reportedly interested in staging a coup against the National Assembly. To achieve this, they would involve the Army and the National Police, according to the president of the Nicaraguan legislature.

This would be crazy; it is a symptom of insanity, Guzman said, after noting that the government is allegedly planning to derail the constitutional reform bill. The first article of the bill was approved on Friday under unusual surveillance by National Police. The reform bill was discussed by the UNO [National Opposition Union], FSLN [Sandinist National Liberation Front], MDN [Nicaraguan Democratic Movement], Conservative Popular Alliance [APC], and UDC [Christian Democratic Union] factions, which represent some 70 deputies. Twenty-one deputies, who represent the progovernment groups of Center, PSD [Social Democratic Party], and some orthodox deputies of the FSLN oppose the controversial constitutional reform bill. Meanwhile, Dr. Luis Humberto Guzman reiterated that debates on the articles will resume tomorrow and their approval will take place during a plenary session, as is customary.

President Violeta de Chamorro denied newspaper reports about a possible coup within the Board of Directors of the Nicaraguan National Assembly because of the ongoing debate of the constitutional reform bill. She said: What coup? It is not a matter of staging coups here. It is a matter of working for unity and jobs for the welfare of all Nicaraguans.

Chamorro Replaces Environment Ministry Officials

PA1911033994 Panama City ACAN in Spanish 2116 GMT 18 Nov 94

[FBIS Translated Text] Managua, 18 Nov (ACAN-EFE)—Nicaraguan President Violeta Chamorro today dismissed Enrivonment and Natural Resources Minister Jaime Incer and his two vice ministers, following reports of alleged mishandling of funds in the ministry. Engineer Milton Caldera, who until today served as director of the Aqueducts and Sewage Institute, was appointed "environment" minister.

The dismissals of Incer and former Deputy Ministers Cesar Aviles and Felix Pedro Alfaro resulted from a scandal involving mutual accusations of alleged mishandling of the government agency's funds. Incer had accused former Deputy Ministers Aviles and Alfaro of failing to submit reports over the past three years on the aid given to the Environment and National Resources Ministry (MARENA) for the implementation of various projects to protect Nicaraguan fauna. In return, Aviles and Alfaro accused former Minister Incer of turning the MARENA into a "feudal realm" in which relatives and other people close to him earned "privileged" salaries.

In a brief statement to the media, President Chamorro said that "an appropriate place (post within the government) is being sought" for the two former deputy ministers. Chamorro also said "there will be changes" in her government in January, when the ministers' removal or reappointment is announced each year.

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"The past must be forgotten; we are working in unity here," Chamorro said briefly when asked by journalists about reports of alleged corruption within the ministry.

Former Minister Incer will now become secretary of the presidency for environmental affairs. Claudio Gutierrez, a scientist who was serving as director of the Nicaraguan Institute of Territorial Studies, has been appointed new MARENA deputy minister.

Daniel Ortega on Need for National Dialogue

95CA0019A Managua BARRICADA in Spanish 19 Oct 94 pp 1, 5

[Interview with FSLN, Sandinist National Liberation Front, Secretary Daniel Ortega by Jorge Katin; place and date not given; first three paragraphs are BARRICADA introduction]

[FBIS Translated Text] Daniel Ortega, the secretary general of the Sandinist National Liberation Front [FSLN] has reaffirmed the need for a "National Dialogue" in which the representatives of all branches of government and of the main political parties will take part in order to overcome what he termed a "War Between Branches" and reach substantive agreements.

In an interview with BARRICADA Ortega said that the dialogue should result in a commitment by the administration to suspend layoffs from government employment for two years and to prioritize lending to the sector that produces food and farm exports.

In conclusion, he indicated that he has offered his proposal to move the electoral timetable forward to representatives of UNO [National Opposition Union], but not to the Executive Branch. Here is the interview.

[Katin] How do you justify your call for a national dialogue when a consultation about a wide-ranging reform of the constitution is going on?

[Ortega] The issue of the national dialogue has to do with the fact that we are already in a situation of instability, which is a recurring situation. There is a crisis in the branches of government.

Last year there was a crisis in the branches, but with the difference that the Judiciary intervened on behalf of the people who are now questioning its role.

The intervention of the Judiciary back then led to the overhaul of the Executive Committee of the National Assembly, which was chaired by the UDC and which included the Center Group and the FSLN.

Today, the Legislative Branch is questioning the Judiciary and the Executive Branch. Back then there was a very clear alliance between the UDC, the FSLN, the Center, the BUR, and the Social Democrats.

The Executive Branch and the parties that I mentioned even signed an agreement on 18 May. The agreement, which was signed by Daniel Aguirre on behalf of the FSLN, refers to a commitment to promote and build a consensus with the other branches of government on constitutional reforms before they are officially submitted.

An agreement exists, but now each side is saying that the other did not keep its word. This is what has created this crisis.

[Katin] Was the crisis triggered by the failure to comply with the agreement?

[Ortega] Yes. The failure to comply with the agreement that the UDC, the FSLN, and the Center Group signed after negotiations involving Sergio Ramirez, Dora Maria Tellez, and Danilo Aguirre.

We are now seeing the counterblows that the two sides are throwing at each other.

If to this we add the issue of property (which I think is of interest to citizens, but not to a great majority of the representatives) and the economic and unemployment problem, which is indeed of interest to the Nicaraguan people, then we are talking about three major issues that would have to be addressed in a national dialogue.

Such a dialogue would prevent a crisis that is already developing from getting worse. We are on the verge of such a worsening crisis.

[Katin] What scenario do you foresee in the immediate future if a national dialogue does not take place?

[Ortega] The Executive Branch defying the Legislature, the Legislature defying the Executive Branch, a Judiciary being defied by the Legislature, and a Legislature taking action against the Judiciary, in other words, a veritable war between branches.

This would cause great instability. This is called ungovernability, and therefore a vacuum of power develops, and in the meantime the economic crisis continues to deepen...and all because of the reforms of the constitution.

If this were a war to improve the economic situation of the people, to combat unemployment, I would view the crisis as reasonable because it would be the result of a struggle for grassroots interests.

But a struggle of this scope simply over a combination of pre-electoral political interests, which are very obvious, well I just cannot see it. The FSLN would be acting irresponsibly if it allowed the crisis to continue and failed to step forward and offer specific proposals such as the national dialogue.

[Katin] What type of dialogue will it be? Do you see it taking place outside the institutions and branches of government?

[Ortega] No, I see it taking place between the forces that are at odds, and the branches of government are the ones at odds.

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[Katin] I asked this because there are those who think that the dialogue ought to take place in Congress in order to strengthen existing institutions...

[Ortega] What we have here is an institutional crisis. The problem is not between deputies; it is a crisis spanning all government institutions.

This demands a dialogue between the institutions that have been plunged into crisis and the political forces that are represented in those institutions. Also to be included are the leaders of the political parties that are represented in Congress and some other leaders.

[Katin] What is the difference between this proposal and past national dialogues?

[Ortega] There has been no national dialogue as such here. The one proposed last year was rejected by UNO, and the rest have taken place among employers groups, unions, and the government, and UNO rejected them too. But I think that there are better conditions for a dialogue today.

[Katin] What results do you expect from such a national dialogue?

[Ortega] First, it would have to take up the basic issue, until an agreement is reached under which the administration pledges not to order any more layoffs from government jobs over the next two years.

Second, the issue of financing for the production sector, especially for the sector that produces food and farm exports.

Then comes the issue of property, which we all agree has to be resolved. We are already working on a bill that will serve as a basis for negotiations.

In the political arena, we need to come to terms on the issue of the reforms of the constitution. If they are going to be introduced, there should be a consensus.

And we have to see whether we agree on the need to draft a new constitution, because current circumstances are telling us that the country needs one. I have held this view since we began negotiations with UNO.

[Katin] Is there a political move afoot to move the elections forward and elect a Constitutional Assembly? Is this feasible? Have you already discussed this with the administration?

[Ortega] We have not addressed the issue of moving the elections forward with the administration, but I have exchanged views with the administration and with representatives of several political parties about the possibility of a Constitutional Assembly linked to the upcoming elections.

I have found some receptiveness and some proposals to move the elections forward, but from major UNO leaders, not from the Executive Branch.

[Katin] Would you back a proposal to move the elections forward?

[Ortega] I think that any measure that would help bring stability to the country is welcome. In 1989, we agreed to shorten our term by almost a year for the sake of stability.

[Katin] With what guarantees would the Front enter into such negotiations, without the complete support of its congressional bloc?

[Ortega] I think that the important thing is the consensus that can be built between the political forces and the deputies themselves. If a sentiment develops and leads to a consensus, then there will be no choice but to support that consensus.

The opposite approach would be to cling to a position that would, in fact, already be a loser, and I think that the Sandinist deputies should keep discussing this in order to take a stand on it.

[Katin] What is going on with the current reforms?

[Ortega] There are two options: the first is to approve some reforms now, and the second is not to approve any reform and leave everything up to the Constitutional Assembly.

Panama

Ambassador Remarks on GATT Talks With U.S.

PA2211032294 Panama City Telemetro Television Network in Spanish 0005 GMT 22 Nov 94

[Telephone interview with Ricardo Alberto Arias, ambassador to the United States, in Washington by Telemetro News Director Dorita de Reina in Panama City on 22 November—live]

[FBIS Translated Text] [De Reina] Ambassador, the purpose of this call is to ask you to inform us how the GATT negotiations between the United States and Panama are going. It is our understanding that there is a very large group of Panamanian representatives in Washington and that you are a member of the group. Could you inform us of what transpired yesterday and today regarding this issue?

[Arias] The Panamanian private sector delegation consists of approximately 35 to 40 businessmen. Panamanian Government officials and businessmen held a meeting last night to establish a strategy for the negotiations. The U.S. delegation gave an expose on the U.S. position this morning, and Deputy Commerce and Industries Minister Jose Andres Troyano, who is heading the delegation, briefly explained Panama's position and our economic and monetary system immediately thereafter. He explained each of the points in our proposal.

[De Reina] Pardon me. You were saying?

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[Arias] Today's negotiations were basically to review Panama's position. The gringos.... [pauses] The American representatives reviewed our position and asked questions about our economy and our monetary and financial systems, and....

[De Reina, interrupting] Now I want to talk to you about....

[Arias] [Words indistinct] the Panamanian position.

[De Reina] Yes. Now that you have spoken about questions concerning Panama's economy, one of the issues that has been a source of considerable concern for the Panamanian business sector—because ours is a service economy—is the attempts that are being made to effect changes precisely in the area of services. Has this topic been discussed?

[Arias] No. The issue of services has not been discussed yet. It will probably be discussed tomorrow. We have focused primarily on import tariffs thus far.

[De Reina] I see. How would you describe the atmosphere among Panamanian businessmen? How, in your opinion, have they reacted to this exchange with the North Americans?

[Arias] I believe the Panamanian negotiating team is formed not only by government officials but also by a group of businessmen. The businessmen are informed of everything that is happening; they are abreast of the strategy being followed; they agree with the strategy, and there has been considerable harmony thus far. The businessmen have fully supported the Panamanian negotiators.

[De Reina] Can we rest assured that we will again be able to speak to you tomorrow via telephone to keep our viewers informed of what is happening in Washington regarding the GATT negotiations? This issue is going to have an effect on the country's economic life, and I believe all Panamanians want to know how things are going.

[Arias] Of course, Dorita. I will be very glad to do so. I believe the negotiations will get under way by tomorrow. The focus today was on examining Panama's position and understanding our situation. I will be very glad to give you all the details available tomorrow.

Commercial Policy Director on Need To Join GATT

PA1811194394 Panama City Circuito RPC Television in Spanish 2300 GMT 16 Nov 94

[Report by Alexandra Ciniglio; from the "RPC Television News" newscast]

[FBIS Translated Text] Panama must join GATT so as to ensure that our exports are not discriminated in the international sphere according to Guillermo Salazar, commercial policy director of MIDA [Agricultural Development Ministry].

The country's agroindustrial area will be the most negatively affected sector if Panama does not adhere to GATT or if, contrary to this point, it accepts the current U.S. request at the bilateral negotiations. This argument is shared by the government, which is studying the position Panama will take to the meeting scheduled to be held next week:

[Begin Salazar recording] The North Americans have proposed an import tariff that will drive Panama's products out of the market. Take the case of poultry parts for example. What happens there? The U.S. market consumes chicken breasts, and the rest of the chicken, drumsticks, wings, and thighs, are practically not consumed in the U.S. market. Those are the chicken parts the United States would potentially export to Panama. [end recording]

This point would definitely be disloyal competition for the Panamanian producers; thus, our country has rejected the U.S. proposal, as it stands now, because it will also drive other products, such as milk and even bananas and other fruits, out of the market.

Panama's entry into GATT started to be processed under the Guillermo Endara administration. It has passed now to bilateral talks with the United States in an attempt to expedite the process.

Human Rights Committee Urges Asylum for Rafters

PA1711184694 Panama City EL PANAMA AMERICA in Spanish 15 Nov 94 p A-14

[Report by Carlos Anel Cordero]

[FBIS Translated Text] The Panamanian Human Rights Committee (CPDH) asked Panama and the United States yesterday to make an "equitable distribution of the burden" represented by the Cuban rafters and to grant them asylum. The CPDH expressed its opposition to returning the rafters to Cuba.

CPDH President Osvaldo Velasquez said the two countries should promptly comply with the regulations established by the United Nations in this area although they have violated international norms for granting asylum.

Returning the rafters to Cuba, according to the United Nations, would be like putting their lives at stake again, and the two governments should grant them temporary or permanent asylum out of "international solidarity."

The CPDH demanded in a communique disclosed yesterday respect for the human rights of the Cuban refugees.

Velaquez believes demonstrations by the rafters will increase, because these people remain deprived of their freedom. He said it is normal for anyone to protest and react in the manner in which the Cuban rafters have done up to now in light of the violation of their human rights.

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Velasquez said the right to live and be free are inherent in human beings, and that point is why the rafters can no longer be kept against their will in these camps.

Velasquez asked the governments of Panama and the United States to try to find a solution to this problem as soon as possible so as to prevent the situation from reaching unmanageable proportions.

Assembly Continues Debate on Canal Administration

PA2111201894 Panama City LA PRENSA in Spanish 21 Nov 94 p 1A

[Report by Hermes Sucre Serrano]

[FBIS Translated Text] The Legislative Assembly was yesterday the scene of heated debates among leaders of the public sector and private enterprise during which arguments were made both for and against the approval of the new constitutional title on the Panama Canal administration after the waterway reverts to Panama at the end of the century.

According to Legislative Assembly President Balbina Herrera, the PRD [Democratic Revolutionary Party] would be acting irresponsibly if it did not begin preparing now, with good guidelines, to regulate everything pertaining to administration of the Canal.

Herrera, like J.J. Vallarino, head of the Presidential Commission for Canal Affairs, affirmed that it is time to assume the historic responsibility of preparing to receive the Canal, because the "race against the clock" has already begun.

Statements also in favor of the approval of the constitutional title were made by representatives of the Panamanian Association of Engineers and Architects (SPIA), the Panama Canal Commission, the National Council of Private Enterprise (Conep), the Panamanian Association of Business Executives (APEDE), the Maritime Bar Association, and the Interoceanic Region Authority (ARI).

Enrique De Alba of the Maritime Bar Association said he disagrees with the application of Law 96-70 after the year 20000 and emphasized the need to have a legal instrument for running the Canal.

Representatives of the Coalition of Unions of Panama Canal Workers were against the initiative and said that the constitutional title and the amendment to Law 96-70 are similar the "two in one" [treaties negotiated in 1967 under the Robles administration which did not pass] and are part of a "conspiracy" to deprive the nation of its rights to the Canal.

Roberto Arosemena voiced his opposition to the constitutional title after saying it allows the United States to continue to intervene in Panama, as it has been doing all this time.

Meanwhile, Miguel Antonio Bernal, a professor of international and constitutional law, explained that approving the title would be a historic mistake that would be used by the United States to remain in the country.

Bernal said that nothing justifies the hastiness with which they want to approve the bill and recommended that a popular consultation be held to pave the way for more participation.

Balladares Note Quoted on Interference in ARI

PA2211005294 Panama City LA PRENSA in Spanish 21 Nov 94 p A-1

[Report by Hernes Sucre Serrano]

[FBIS Translated Text] According to an official note by President Ernesto Perez Balladares, to which LA PRENSA had access, the executive branch is directly interfering in the decisions of the Interoceanic Region Authority (ARI).

A Panama Canal Commission employee, who has asked to remain anonymous, has delivered Note DP-116 dated 26 October 1994 to this daily in which Perez Balladares states to Carlos Mendoza, president of the ARI Board of Directors: "A new era of integration and coordination between the authority over which you preside and my administration has been initiated."

The brief note states "I ask you within that spirit that all the ARI communications directed to other state branches, to the ministers, and to the directors of autonomous institutions be channeled through you, in your double role as president of that body and as my personal representative in the same as of today and until I indicate otherwise."

Mendoza signed on 28 October Memorandum JD-017-94, addressed to Carlos Emilio Espino, Monserrat Burillo, Omar Lynch, Delfina Escobar, Mayra Crespo, Lucas Patino, Carlos Dutari, Maricarmen Sarsaneda, Sayda de Grimando, Enilda de Conte, Arturo Burgos, and Marta Cano, in which he tells them: "I received from the president of the Republic two days ago his Note DP-116-94, a copy of which I am remitting to all of you."

The second paragraph of the memorandum orders: "You will have to adjust your conduct from this moment on to the contents of Dr. Perez Balladares' note. ARI Administrator Jose Chen Barria has received copy of the document."

The official note to Mendoza orders, in specific terms, the centralization of all communications of that organization to other state branches, the ministers, and the directors of autonomous institutions.

The person who has handed over copies of the notes to LA PRENSA has said he had made that decision, because he was "tired of the nonchalance and disrespect" existing within the ARI.

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He has said everyone remembers that former ARI Administrator Juan Blau has to leave the institution due to the pressures he has received from former President Guillermo Endara over the institution's main guidelines.

The ARI was created as an autonomous institution specializing in the planning, administration, and development of the Canal area assets that have been reverted to Panama and those that will revert in the coming years.

Carlos Mendoza denied last week the executive branch is meddling in the decisions of this autonomous institution, which is responsible for the future of the reverted areas.

This explanation came up after Legislator Ruben Arosemena, of the Christian Democratic party, charged that Mendoza, "in response to President Ernesto Perez Balladares' interest, is seeking mechanisms to remove ARI Administrator Jose Chen Barria."

When questioned on the reasons why certain sectors have charged the executive branch is meddling in ARI matters, Mendoza said only: "Panama is used to living with gossip and rumors."

Ruben Dario Carles, former comptroller general and former presidential candidate of the "Change 94" Alliance, fears that the reverted assets could be managed with political interests and that they will end up as "a pinata" (a giveaway).

Meanwhile, Victor Lopez, a legislator with the Democratic Revolutionary Party, has presented a draft bill to change the ARI's administrative structure and its system to designate its members.

Board Member Says PRD Trying To Politicize ARI

PA2011173394 Panama City EL PANAMA AMERICA in Spanish 19 Nov 94 p 1

[Report by Juan Manuel Diaz C.]

[FBIS Translated Text] The Democratic Revolutionary Party (PRD) intends to control the use of the Interoceanic Region Authority (ARI) and make it work according to its political criteria, Mariano Mena, a member of the ARI board of directors, has asserted.

Mena said the PRD has enough votes in the Legislative Assembly to approve a bill modifying ARI's bylaws. If that happens, he added, the PRD will have an upper hand in controlling the institution.

He said the current situation is a delicate one as ARI is being subjected to many pressures but is making an effort to continue operating according to schedule.

Mena said the situation is being discussed within ARI but the members have still not decided what position they will take. He said the issue will continue to be studied.

Mariano Mena, who will participate in the debates on the new constitutional title at the plenary of the Legislative Assembly today, said he will use his intervention to oppose any changes in the ARI board.

Meanwhile, certain groups in the country have expressed their opposition to the politicization of ARI as it would hamper Canal operations.

Government Not To Allow Squatters in Reverted Areas

PA1811191694 Panama City EL PANAMA AMERICA in Spanish 17 Nov 94 p 1

[Report by Juan Manuel Diaz C.]

[FBIS Translated Text] President Ernesto Perez Balladares said yesterday his government will not allow new squatters in the reverted areas, because this situation may endanger the operation of the waterway. He warned he would firmly act against those who may engage in these actions.

Perez Balladares said it is important to guarantee "that there will not be future squatters in areas that must be respected," because they are necessary for the functioning of the Canal.

It is necessary to organize the orderly use of the reverted areas and to respect the areas that cannot be occupied, because the effective operation of the Canal largely depends on this according to the president.

The head of state, who met with squatters in the Canal basin yesterday, said the problem of squatters must be viewed in an integral manner, adding its solution requires a profound analysis.

Meanwhile, representatives of the communities of Burunga, Loma Cova, La Polvareda, Barriada 2000, and the neighborhood of 7 September have presented to President Perez Balladares a list of demands contemplating the construction of streets, electricity facilities, potable water, and the construction of schools.

Residents have voiced their concern over a possible eviction of the families located in the reverted areas and asked the government to improve living conditions in this sector.

Perez Balladares pledged to meet the demands of the residents and called for the creation of joint solution programs.

He said it is necessary to raise awareness on the importance of the reverted areas. The president concluded a process will be conducted to turn the squatter camps into communities.

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Argentina

U.S. Defense Secretary's Visit Previewed

PY2111123894 Buenos Aires TELAM in Spanish 1917 GMT 18 Nov 94

[FBIS Translated Text] Buenos Aires, 18 Nov (TELAM)—The main subjects that U.S. Defense Secretary William Perry will address with Argentine authorities—during his two day visit that begins on 19 November—are the provision of U.S. military equipment and the future opening of a Lockheed enterprise branch in Argentina.

The Pentagon chief, who arrives at Ezeiza International Airport on 19 November, will meet with President Menem at the Olivos residence on 20 November. He will also meet with other government officials and military commanders.

Defense Minister Oscar Camilion said: "The visit by William Perry is good news. It comes at a time when relations between the two countries are optimum in all fields, including the defense field."

The minister emphasized: "We must ensure the Armed Forces and the security forces are ready to meet current challenges. We must prepare them, in the best possible way, for the new international situation."

He said: "Argentina plays an active role in defending peace through its active international engagement," adding that one of the reasons for Perry's visit "is to emphasize the contribution of our troops to keeping peace in various areas of the world."

Camilion said talks with the visitor will also deal with the provision of U.S.-made equipment "under the best possible terms, bearing in mind our limited budget."

Another issue on the agenda is the opening of branches of U.S. enterprises in the defense area, like "the expected completion of negotiations with Lockheed in the Cordoba Materiel Area."

The agenda also includes Argentina's participation in the "J-Pats" program, through which the United States is replacing its advanced training planes. Argentina joined the program with the "Pampa" plane.

Camilion added: "We are sure this visit will be a step forward in consolidating our good bilateral relations with the United States."

Perry will be welcomed at Ezeiza Airport by a delegation headed by Camilion and comprising Joint Staff chief Lieutenant General Mario Candido Diaz, Defense Secretary Jorge Baeza, and Planning Secretary Guillermo Etchechoury.

At 0800 on 20 November, Perry will meet President Menem at the Olivos residence. The meeting will be attended by Camilion, Foreign Minister Guido Di Tella, and U.S. Ambassador James Cheek.

At 0930, Perry will fly from the metropolitan airport to "Santa Sergia" ranch, 20 km east of 25 de Mayo, in Buenos Aires Province, for a traditional lunch.

At the Foreign Ministry at 0900 on 21 November, Perry will meet with Foreign Affairs Secretary Fernando Petrella, and one hour later, at the Defense Ministry, he will meet with Camilion and members of the minister's cabinet.

At 1100, high-ranking military commanders will brief Perry on their mission. The briefing will take place at the Toscano hall of the Joint Staff building.

After paying tribute to General Jose de San Martin at the hero's square, Perry will lunch at the military club at 1300. At 1445 he and Minister Camilion will host a press conference at the club.

Accord Reached on U.S.-Argentine Security Commission

PY2211005294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1613 GMT 21 Nov 94

[FBIS Translated Text] Buenos Aires, 21 Nov (NA)—Argentina and the United States will create a bilateral commission to analyze hemispherical security matters. This commission will begin operating in February 1995.

The agreement was reached today between Argentine Defense Minister Oscar Camilion and U.S. Secretary of Defense William Perry during a meeting at the Defense Ministry.

Defense Ministry sources reported that the initiative to create the bilateral commission comes from the United States, and will be the first of its kind in Latin America.

The meeting was held in two stages, the first of which lasted 20 minutes, during which Camilion and Perry met behind closed doors.

Other officials then joined them for another meeting. For Argentina, Military Affairs Secretary Jorge Baeza, Planning Secretary Guillermo Etchechoury, and Ricardo Lagori, defense policy and strategy under secretary, participated in the second meeting, while for the United States, Ambassador James Cheek and Ana Maria Jaramillo, assistant secretary for Latin American affairs, were in attendance.

They also reviewed a number of issues, among them the franchising to Lockheed of the Cordoba Materiel Area, the supply of materiel to the Argentine Armed Forces, and participation by the advanced training plane Pampa 2000 in the bidding to resupply the U.S. Air Force with this kind of aircraft.

During the meeting Perry received two phone calls from the Pentagon, through which he learned about the new NATO air attacks on Bosnia.

After the meeting with Camilion, Perry moved to the Joint Chief of Staff situation hall, where he held another

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meeting with Deputy Chief of Staff Brigadier Roberto Noe; Army Deputy Commander General Raul Gomez Sabaini; Navy Commander Admiral Enrique Molina Pico; Air Force Commander Brigadier Juan Paulik; Border Police Commander Timar Musumeci; and Coast Guard Prefect Jorge Maggi.

Menem Confirms Pfirter as Ambassador to UK

PY2111232194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2118 GMT 20 Nov 94

[FBIS Translated Text] Buenos Aires, 20 Nov (NA)—Argentine President Carlos Menem confirmed today that Rogelio Pfirter will replace Mario Campora as head of the Argentine Embassy in the United Kingdom, though he did not specify when the ambassadorial swap would be implemented nor the removed ambassador's upcoming assignment.

Menem explained his decision, noting that Pfirter, one of Foreign Minister Guido Di Tella's most trusted diplomats, "is capable of carrying out this mission."

"If not, we would not send him," added the chief executive, thus confirming the name of the person who will replace Campora. Campora will have to leave the embassy in London after his remarks against the government's decision to compensate the Kelpers in order to regain sovereignty over the Malvinas Islands.

The president made this announcement after meeting with U.S. Defense Secretary William Perry and before leaving for Syria, where he will attempt to aid the peace negotiations in the Middle East.

Pfirter's appointment ended the rumors about Campora's possible replacements, including Hugo Porta and Archibaldo Lanus, the ambassadors to South Africa and France, respectively. Nevertheless, the chief executive did not specify when the ambassadorial swap would be implemented, nor Ambassador Campora's upcoming assignment.

Pfirter is currently the Foreign Ministry foreign relations secretary. He, along with Vice Foreign Minister Fernando Petrella, Foreign Ministry Secretary General Andres Cisneros, and current Ambassador to Chile Eduardo Iglesias, is a member of Di Tella's selected group of most trusted men. Pfirter has also carried out a delicate mission involving the possibility of selling Argentine nuclear reactors to Turkey and Egypt.

Following this appointment, Pfirter will again become chief of the Argentine mission in London, as he was ambassador to the United Kingdom in 1982, when the Malvinas War, which ended with the surrender of the Argentine troops who had occupied the archipelago, broke out.

Foreign Ministry sources told NOTICIAS ARGENTINAS that Campora might be appointed chief of the Argentine Embassy in Bern, Switzerland. Nevertheless, the source refused to specify if Mario Campora, one of the chief architects of the reconstruction of the bilateral relationship between Argentina and the United Kingdom, would or would not accept the assignment that the foreign minister would offer him.

Senator Eduardo Menem, who is closely linked to Campora, noted yesterday that the ambassador's replacement had been decided before the controversial incident concerning possibly economic compensation for the Kelpers.

Campora, who took over the embassy after the resumption of diplomatic ties in 1990, had said: "The Malvinas Islands are not merely a package that may be received over the counter, paying a sum of money."

Nevertheless, the diplomat had made it clear that he was not against the policy implemented by the executive branch or the diplomatic mechanisms implemented by the Foreign Ministry.

Both Senator Menem and Campora had explained separately that the change of assignment had been decided on about 20 days ago, when the president's brother visited London and unveiled a statue of General San Martin.

Prince Andrew Visits Puerto Belgrano Navy Base

PY2111120294 Buenos Aires LA PRENSA in Spanish 18 Oct 94 p 2

[FBIS Translated Text] Prince Andrew, in an unexpected gesture outside his official agenda, has honored those who died aboard the cruiser ARA [Argentine Republic's Navy] General Belgrano at the Puerto Belgrano Naval Base, near Bahia Blanca. The ship was sunk by British forces during the South Atlantic war 12 years ago. Prince Andrew was a helicopter pilot during that war.

Shortly after lunching with Navy officers during his visit to the naval base, the royal representative unexpectedly approached the monument in honor of those who died aboard the Belgrano, and stood silently in front of it for a couple of minutes.

While the Duke of York continues his official visit to Argentina, Cordoba Governor Eduardo Angeloz added his voice to the tide of criticism over the visit by saying: "I would not have invited him."

Lieutenant General Martin Balza, the Army chief of general staff, said during a tour of Cordoba Province that it was not he who had to explain if "too many honors have been bestowed" on the second son of Queen Elizabeth II.

Angeloz and Balza attended a ceremony in Cordoba to install General Maximo Groba, the new 3d Army Corps Commander, and they had different views on Andrew's visit. Angeloz said: "I would have tried to prevent his visit because the wounds are still fresh in the minds of many people." Balza said: "I have talked with the prince,

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just as I did with other British officers who participated in the conflict." This happened during his visits to Croatia and Cyprus.

The prince's visit to the Navy unit was described by Navy Base Commander Admiral Enrique Molina Pico, who said the country and the Armed Forces "have overcome the trauma" of the Malvinas War.

The visit by the Duke of York to Puerto Belgrano lasted over four hours. He toured the military unit, talked with officers, and lunched aboard the destroyer Hercules, the flagship of the Argentine Navy which was built in Great Britain at end of the 1970's and which is in dock for lack of spare parts.

While visiting the museum at the base, the prince received as a souvenir three pictures taken during a visit to Argentina by his ancestors King George VI and the then Prince of Wales, who became Edward VII and who abdicated to marry a divorced woman.

During his tour, the prince carefully inspected a Super Etendard plane, like the one that sunk the British ship Sheffield during the Malvinas war.

The Navy has, on display in another hangar nearby, the original plane with a depiction of the Sheffield crossed out on one of the wings—the usual practice to mark a score during combat. The prince was not shown that plane.

Anti-'Terrorism' Fund Created To Help Clarify Attacks

PY1811023394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1852 GMT 17 Nov 94

[FBIS Translated Text] Buenos Aires, 17 Nov (NA)—It was officially reported at Government House this afternoon that the executive branch established today through a decree the Permanent Council for Protection Against International Terrorism [Fondo Permanente de Proteccion Contra el Terrorismo Internacional]. This Fund will pay rewards to those who give information leading to the clarification of attacks such as those perpetrated against the Israeli Embassy and the Argentine-Israeli Mutual Association headquarters.

This fund will have resources totalling 2 million pesos coming from special funds allocated to the Presidency of the Republic.

The decree points out that rewards will be given to "people who supply information, reports, testimony, documents, or any other reliable element or reference" that could help clarify these attacks "or any other attack carried out by international terrorists."

It was also established that the Secretariat for Security and Community Protection "will be the ruling authority" and "will dictate regulating and clarifying norms for a better implementation of the measure."

The organization, which is headed by Brigadier Andres Antonietti, "will be in charge of paying the rewards, after having consulted the judge hearing the investigation into the attack, if payment of the reward is deemed appropriate."

Decree Number 2023 was signed by President Carlos Menem and Interior Minister Carlos Ruckauf.

Army Chief Notes Army's Changed 'Mentality'

PY1811015694 Buenos Aires TELAM in Spanish 2059 GMT 17 Nov 94

[FBIS Translated Text] Cordoba, 17 Nov (TELAM)—Army Chief of Staff General Martin Balza today emphasized the changes that are occurring in the mentality of his institution, and asserted that the rationalization of Army resources will continue.

He said: "This is what we have been doing and will continue to do: rationalize and reorganize the available resources." He added that "some smaller changes still have to be implemented."

He pointed out that "a real reorganization implies changes in mentality, in which merit and good performance are taken into consideration in the promotions system as well as in all other measures related to the future of the Army."

"The Army's educational system is our priority, and the most substantial changes have been implemented in this area," Balza said.

He made these comments to journalists right after installing the new commander in chief of the 3d Army Corps, General Maximo Rosendo Groba, who replaces General Carlos Alberto Quevedo.

Balza denied that current low salaries are creating unrest in the Army, and asserted that "if there is concern, it is because we want to fulfill our duties in the best possible way."

He said that after the Laguna del Desierto arbitration award relations between the Argentine and Chilean Armed Forces have "remained the same."

"I have contacted the commander in chief of the Chilean Army, General Augusto Pinochet, and told him that I valued the chivalry and consideration shown by the Chilean Army regarding the award," Balza said.

Commenting on the voluntary military service, Balza said: "Since the Malvinas War we have been aware that the mandatory military service had reached the end of an important cycle." He added that at the time "we had been mentally prepared to face the change. What we needed was the political decision to bring about the change."

"We are currently working on this real challenge, which is a turning point in our national recruiting system, including the drafting of women as conscripts," Balza said.

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General Balza Installs New Military Leaders

PY1711233794 Buenos Aires TELAM in Spanish 2144 GMT 15 Nov 94

[FBIS Translated Text] Buenos Aires, 15 Nov (TELAM)—General Martin Balza, Army chief of staff, today installed General Anibal Ulises Laino as Army staff director general and General Ernesto Juan Bossi as Army secretary general.

The two ceremonies were held at the Libertador Building, the Army headquarters. Present at the ceremonies were Ricardo Lagorio, the Defense Ministry under secretary for policy and strategy; Police Chief Superintendent Pedro Klodczyk, the Buenos Aires Province police chief; and other officials.

Laino is replacing Division General David Comini, who will be installed at 1100 on 18 November as 2d Army Corps commander. The ceremony will be held at the 2d Army Corps parade ground. The 2d Army Corps is headquartered in Rosario.

Balza installed the two military leaders and expressed his gratefulness for the "loyalty and uprightness demonstrated" by Comini, Laino, and Bossi "for the good of the Army's loftiest interests."

Court Decision Favors Son of Missing Persons

PY1811153394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2338 GMT 17 Nov 94

[FBIS Translated Excerpt] Buenos Aires, 17 Nov (NA) — A court has ordered that Daniel Tarnopolsky be paid 1 million pesos due to the disappearance of his parents during the last de facto government. Tarnopolsky stressed today that "there has been no justice in Argentina after the military dictatorship" ended, and he added that he would have liked "all of the accused" to "pass the rest of their lives in prison" for crimes committed during that time.

In an unprecedented decision, Federal Judge Oscar Garzon Funes sentenced former Navy Commanders in Chief Emilio Massera and Armando Lambruschini and the state to pay Tarnopolsky the sum of 1 million pesos as compensation for the moral harm and abuse caused by the disappearance of his parents.

On learning of the sentence, Tarnopolsky recalled that he had decided to bring suit "because there has been no justice in Argentina after the military dictatorship" ended. [passage omitted]

"I believe that the sentence is a ray of hope for other people because the Argentine state, at the worst, acknowledges its responsibility in the persecution of innocent citizens," he said.

Tarnopolsky, 38, indicated that he left Argentina "when the due obedience" measure "was signed" because he thought that "matters in the country could become blackened once again."

He also indicated that the decision to bring suit was made when it occurred to him that "Argentine justice did not fulfill" his "need for justice."

"My belief, and that of all the relatives of missing people, was that after the end of the de facto government there should have been real justice in order to come to understand what happened to the 30,000 missing people," he emphasized.

Bolivia

Agreement on Double Taxation Signed With UK

PY1811235894 Cochabamba LOS TIEMPOS in Spanish 4 Nov 94 p A2

[FBIS Translated Excerpt] La Paz, 3 Nov (LOS TIEMPOS)—The problem of double taxation and obvious fiscal evasion by Bolivian and British investors was resolved today at the Foreign Ministry through an agreement signed by Foreign Minister Antonio Aranibar and British Ambassador Michael Jackson.

The "agreement to prevent the double taxation on income and assets and its fiscal evasion" was drafted to change or eliminate double taxation, when income that goes from one country to another pays taxes in both countries. [passage omitted]

Foreign Minister Aranibar believes this agreement is part of President Gonzalo Sanchez de Lozada's basic goal of giving the country the precise legal instruments for financial and investment operations within the process of capitalization being implemented in the country, which requires "a considerable amount of financial capital from friendly nations such as the United Kingdom." [passage omitted]

Brazil

Paraguayan, Argentine Border Patrolled Jointly

PY1711195594 Sao Paulo AGENCIA ESTADO in Portuguese 1935 GMT 16 Nov 94

[FBIS Translated Text] Foz do Iguacu, 16 Nov—The Brazilian Federal Police (PF), the National Border Guard of Argentina, and the National Narcotics Directorate (DINAR) of Paraguay, are cooperating to carry out simultaneous operations on the Parana and Iguacu Rivers to combat drug trafficking and weapons smuggling. With cars, motorboats, and war materiel, the police are patrolling day and night the border strip that separates the three countries.

The Brazilian PF are using Boston Wallee motorboats like those used by the U.S. Coast Guards, lined with bullet proof material and equipped with guns and a machine gun. They patrol a 38-km strip between the Iguacu Falls and the Itaipu hydroelectric dam.

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The Brazilian border with Argentina consists of a 130-km stretch of the Iguacu River which divides the Iguacu National Park. Brazilian and Argentine agents patrol 20-km along the Iguacu River from the falls to the confluence with the Parana River. From there, Brazilians and Paraguayans control 18 km of border between the two countries to the Itaipu dam.

The strip between Brazil and Paraguay is considered by the Brazilian police as one of the most critical areas. The nearly 100 km of water that surround the city of Foz do Iguacu helps smugglers work between the two countries. At several points along the Parana River smugglers and car thieves have built clandestine ports to store drugs and stolen cars from Brazil meant for Paraguay, and to bring in from Paraguay weapons and smuggled goods.

In Ciudad del Este, which is joined to Foz de Iguacu by the Friendship Bridge, small unnoticeable stores in shopping centers sell sophisticated weapons which in general are made in the United States, Czechoslovakia, Germany, Sweden, Israel, and Russia. Deficient Brazilian customs and police controls on the border allow the entrance of rifles, guns, grenades, and even bazookas into Brazil.

Paraguayan law facilitates the trade of weapons with great firing power. Portable submachine guns like the Israeli-made UZI and the Argentine MK3, both of which can shoot 600 shots per minute, can be purchased easily in the shopping centers of Ciudad del Este. One can easily find U.S. AR-15 guns like the ones used in the Persian Gulf War.

Accord Reached With Argentina on Tariffs

PY2211003294 Sao Paulo AGENCIA ESTADO in Portuguese 1506 GMT 19 Nov 94

[FBIS Translated Text] Sao Paulo, 19 Nov (AE)—In talks held here last night (18 November), Brazilian Finance Minister Ciro Gomes and Argentine Economy Minister Domingo Cavallo came close to resolving once and for all the issues that remain pending between their two countries, namely tariffs concerning several commodities, before the implementation of the Mercosur [Common Market of the South] treaty scheduled for 1 January 1995. Gomes today said in Sao Paulo that there are no more problems. He said: "One of the main stumbling blocks—that is, the issue of auto parts—has been resolved. Argentina has agreed to regard Brazilian-made auto parts as if they were manufactured in Argentina; that is, there will be no restrictions on the origin of these parts. In return, we have offered to levy a surcharge on our wheat imports from other countries. This should result in increased wheat trade between Argentina and Brazil."

Gomes noted that the Brazilian Government has advanced the date for the lifting of import duties, which had been originally scheduled for 1 January 1995, and has already reduced some duties in an effort to keep domestic inflation down, to give the people access to good quality items at reasonable prices, and to preclude the risk of shortages.

The agenda discussed yesterday by Gomes and Cavallo consisted of 19 topics. Gomes said good progress was made on many of these topics. He added: "I am sure that we will reach a final solution at the new meeting we set for 8 December in Argentina." He described the results of the meeting as "excellent." He added: "In Argentina we are just going to further discuss the Ouro Preto treaty [as received] which formally established the Mercosur market."

Among the issues that still remain pending with Argentina are those concerning textiles and steel, and public policies having an impact on the competitiveness of their respective companies. The agreement levying surcharges on wheat imported from countries other than Argentina had been signed earlier, although not formally.

Navy Buys Frigates, Minesweepers From UK Navy

PY2111233694 Rio de Janeiro O GLOBO in Portuguese 19 Nov 94 p 30

[FBIS Translated Text] The Brazilian Navy yesterday signed in Rio de Janeiro a contract for the purchase of seven ships from the Royal British Navy. The $150 million contract provides for the sale of seven second-hand British vessels: four type 22 frigates (HMS Broadsword, HMS Battleaxe, HMS Brilliant, and HMS Brazen) and three coastal minesweepers.

Vice Admiral Armando de Senna Bittencourt, director of the Naval Engineering Department, represented Navy Minister Ivan Serpa in signing the contract together with Michael Robinson, deputy director of the British defense export service organization. The ceremony was held yesterday morning at the Navy Ministry Naval Engineering Department on Praca Maua. The minesweepers will arrive in Brazil in the beginning of 1995, while the frigates will be handed over between 1995 and 1997.

According to a communique distributed by the British Embassy in Brazil, the first aircraft carrier to join the Brazilian fleet, the Minas Gerais (formerly the HMS Vengeance) was the last second-hand ship purchased by the Brazilian Navy from the British Navy. After that purchase, in 1956, another contract was signed in 1976 for the manufacture in the United Kingdom, by Vosker-Thomeycroft Shipyards, of two frigates of the Niteroi class.

The frigates are equipped for surface or submarine war anywhere on the Brazilian coast. The vessels can sail up to 7,200 km at an average speed of 18 knots without stopping for refueling. They weigh 3,500 tons each, and were built by Yarrow Shipyards in Scotland between 1976 and 1980.

The three coastal minesweepers, on the other hand, were built by Richard Ltd. Shipyards in Great Britain. The

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HMS Humber was put into service by the British Navy in 1985, while the HMS Helmsdale and HMS Ribble were launched the following year.

According to Vice Admiral Armando de Senna Bittencourt, the recently acquired ships will replace the oldest vessels in the Brazilian Navy, with considerable technical improvement.

Bittencourt said: "Apart from anti-aircraft missiles the frigates have no greater technological development than the most modern Navy ships, such as the Niteroi class frigates and the Inhauma class corvettes. They will not require any further modernization, as they will be ready for immediate use."

Chile

Frei Discusses Trade With Indonesian Business Group

PY1811141394 Santiago ESTRATEGIA in Spanish 15 Nov 94 p 12

[Article by special correspondent Gabriela Paiva from Jakarta, Indonesia]

[FBIS Translated Excerpt] "Becoming a member of APEC [Asia-Pacific Economic Cooperation] is not a substitute for NAFTA," President Eduardo Frei said to an assembly of 500 businessmen comprising the first Chilean-Indonesian Businessmen's Committee, which began its sessions on 14 November in Jakarta. The Chilean head of state indicated that Chile is a country that has a policy of open trade agreements, and this is why it is beginning an onslaught against Mercosur [Common Market of the South] while doing the same with NAFTA.

He said: "On becoming a member of APEC, our country is aware that there is a great variety of countries that border on the Pacific Ocean, both in terms of size and development. We are a small community that has become a member of the APEC with the hope of learning from the experience of these great nations. We believe that our future development is closely related to the Pacific because this region absorbs more than 57 percent of our exports, and it is an important source of investment and sophisticated technology. Our diplomatic presence in this area and our participation in other trans-Pacific organizations (PBEC, PECC) [Pacific Basin Economic Council, South Pacific Economic Cooperation Council] offers a clear testimony to Chile's active role in all the institutions that emerge within the Pacific community," he concluded. [passage omitted]

Daily Views Current Purpose of Miami Summit

PY2111152794 Santiago EL MERCURIO in Spanish 9 Nov 94 p a2

[Commentary by Gonzalo Biggs: "The Summit of the Americas"]

[FBIS Translated Text] For the first time in 28 years the leaders of the 34 countries of this continent—with the exception of Fidel Castro—will meet in Miami in five weeks time at President Bill Clinton's initiative.

This event funnily enough—which under any other historical circumstance would have generated great expectation or even suspense—is being eyed with an amazing attitude of total indifference by hemispherical political sectors and media alike.

Various factors seem to contribute to this lack of interest. Ironically, among them lies the lack of conflicts or substantial differences in the policies of the two hemispheres. Another interpretation of this apathy may be the surprising economic recovery and greater autonomy attained by our region regarding its traditional partners. Whatever the reason, it is obvious the Miami summit represents a different phase in which Latin America may, for the first time and thanks to its recent progress, play a truly significant role in inter-American relations.

Due to this, the prospects and participation of our region in the so-called Summit of the Americas should be strongly influenced by the experience of the past few years. To appraise this evolution one only needs compare the current situation with that in June 1990 when President George Bush proposed the Americas' Initiative. At that time the proposal identified priorities and objectives in the foreign debt, investments, trade, and environment fields.

Those objectives have now been completely fulfilled. While in 1990 the payment of the foreign debt negatively affected growth and represented a negative transference of resources abroad, currently our region has consolidated positive growth rates, reduced to tolerable levels the impact of the payment of the foreign debt, and tripled the volume of foreign capital investments through adequate policies. Likewise in the environment field, following the Rio-92 Environmental Summit, the countries of our region have modernized laws and included the subject of the preservation of the environment in their development policies. And finally, on the subject free trade, we have advanced from what in 1990 were mere ideas and projects to a point where they are now facts, approved and ratified by the GATT Uruguay Round and the implementation of the NAFTA and Mercosur [Common Market of the South]. Probably more important than all this, and which undoubtedly was not considered in 1990, is the fact that Latin America has increased and diversified its trade relations with other regions. Particularly important and promising for the future is the increased volume of trade within the continent and the greater opening towards the EU and the Asia-Pacific region.

The recent U.S. experience, however, has been quite different. Let us recall that the summit was first announced by U.S. Vice President Gore in Mexico in December 1993, that is, during the euphoria following

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the ratification of NAFTA by the U.S. Congress. When President Clinton made the official announcement in March, there is no doubt he hoped that, before the summit started, Chile and other countries would already be negotiating access to NAFTA. Within this context it was fully justified that free trade and economic integration at a continental level would be one of the key issues of the meeting. Unfortunately, due to factors beyond the control of the U.S. Government, developments took another course. The summit focus must, therefore, be different. For domestic policy reasons and considering it is election year, the U.S. Congress refused to renew the fast track system that would have allowed the executive branch to negotiate Chile and other countries' assess to NAFTA, as in Mexico's case, without the need for anything but the approval or rejection, in general, by the U.S. Congress.

Regardless of the developments in Haiti and Cuba, which also contributed against the objectives of the summit, information from Washington allegedly indicates that every effort possible is being made so that this meeting, despite the mentioned problems, may significantly contribute to progress in the hemisphere. One characteristic of the procedure is the great flexibility and ample consultations made. These include requests for suggestions of specific subjects to governments (including the Rio Group), international organizations, education centers, non-government organizations, and Latin American personalities, seeking to attain a regional consensus on the subjects and objectives of the meeting. We could also mention efforts by the Inter-American Dialogue and the North-South Center of Miami University which, financed by the U.S. Congress, organized three successive meetings with Latin American representatives to hear and transmit their recommendations. These meetings were held in Buenos Aires [Argentina] on economic development, trade, and investments; in Cartagena de Indias [Colombia] on governability, and; in Kingston [Jamaica] on sustainable development. Another significant contribution is the one by the Latin American Development and Environment Commission, an organization created in 1988 by the Inter-American Development Bank and the United Nations, and whose members include various Latin American personalities—among them five former presidents and Chilean citizen Domingo Santa Maria.

The undersigned does not share the general skepticism and believes that, precisely because the main political and economic problems have been overcome, the Miami summit will strengthen or contribute to pursue what has already been started. A good example of this is the support that should be given to the enhancement of the democratic process. Likewise, it is a matter of moving toward a more advanced phase of regional development which must define actions to contribute to solve the problems that are still pending. An obvious example in this sense is social development and eliminating poverty. Other subjects that will surely be addressed are those related to the struggle against corruption, support for the civil society, access to science and technology, preservation of the environment and the implementation of international agreements and protocols on the subject, and controlling the laundering of money obtained from drug trafficking, a huge problem which some government still pretend to ignore. On these various subjects it is obvious that national and international public opinion will not tolerate mere rhetoric or resolutions, and that the summit must adopt specific actions, and implement procedures and mechanisms to assess their results. It is expected that this will be the case and that, in addition to the commitments of governments, the OAS will assume concrete responsibilities in the political field and the Inter-American Development Bank will assume concrete responsibilities in the economic field.

However, free trade and Chile's access to NAFTA will be the great disappointment. Because the U.S. Congress has exclusive power, any U.S. Government agreement requires Congress' approval. However, the success of the summit should favorably influence public opinion and U.S. Congress and this, in turn, will contribute to a speedy expansion of NAFTA.

Chamber of Deputies Ratifies GATT Agreements

PY2111233294 Santiago EL MERCURIO in Spanish 9 Nov 94 p C4

[FBIS Translated Excerpt] Valparaiso—The Chamber of Deputies has unanimously ratified the agreement creating the World Trade Organization and its annexes, adopted in the final act of the Eighth (Uruguay) Round of the GATT multilateral trade negotiations.

The ratification of the agreement was made following statements by congressmen from all blocs and a speech by Foreign Minister Jose Miguel Insulza, and after a report presented to the Chamber by Deputy Jaime Estevez, president of the special committee in charge of studying the agreement.

The foreign minister said that the ratification by Chile of the Uruguay Round of the GATT agreements "is essential and imperative," as multilateral liberalization is the first priority of our trade policy. He added that a system of rules protected by international law is essential for supporting the efforts to increase and diversify exports and the markets. [passage omitted]

1995 Assignments Within Army Announced

PY1711190694 Santiago LA TERCERA in Spanish 4 Nov 94 p 18

[FBIS Translated Excerpt] Brigadier General Juan Emilio Cheyre, current director of the Army War Academy, has been assigned military attache to Spain, while Brigadier General Jaime Izarnotegui has been appointed Army Personnel director.

Here are the other appointments within the Army for 1995: Mayor General Hernan Ramirez will command

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the Southern military region in Punta Arenas; Brigadier General Juan Lucar will command the 5th Division, also in Punta Arenas; General Cesar Streitt will command the 7th Division in Coyaique; and recently promoted General Martin Munoz will be deputy chief of staff.

General Eugenio Videla will command the 2d Army Division, based in Santiago, and General Emilion Timmerman will be deputy commander of the same division. Mayor General Carlos Krumm will direct the Political and Strategic Studies National Academy.

As is already known, Mayor General Guillermo Garin will assume as deputy commander in chief of the Army, Ramon Castro will command the 1st Army Cort in Northern Chile, and Hernan Abade will command the Military Garrison in the Metropolitan region, among other changes. [passage omitted]

Police Official Resigns, Denies Involvement in 'Plot'

PY2111232994 Santiago LA TERCERA DE LA HORA in Spanish 9 Nov 94 p 6

[FBIS Translated Text] Investigative Police Operations Director Juan Fieldhouse Chavez has confirmed that he has asked Investigative Police Director General Nelson Mery to approve his resignation due to health problems.

During brief statements to the media Fieldhouse, charged by a former policeman of being responsible for a plot against Sergio Olea Gaona [accused and cleared of the 1991 murder of Independent Democratic Union Senator Jaime Guzman] said "I am not retiring due to any institutional problem; it is due exclusively to personal and namely health problems."

He also reasserted his belief that Sergio Olea Gaona should have been questioned about the murder of former Senator Sergio Guzman on 1 April 1991. Fieldhouse said: "It would be interesting to hear what Olea Gaona has to say, and have him clarify some points." He also denied any political reasons for involving Olea Gaona in the murder of the Independent Democratic Union leader.

He also rejected the charges by former policeman Jorge Barranza, who was retired recently, regarding an alleged plot. Fieldhouse said: "All the information obtained was delivered every week to specially appointed Judge Guillermo Navas, and therefore it is quite unlikely that a plot could have been organized." He refused to comment on the court ruling that definitively acquitted Olea Gaona in the Guzman case.

Police Arrest Manuel Rodriguez Front Leader

PY1911002794 Santiago EL MERCURIO in Spanish 10 Nov 94 pp C1, C10

[Article by Milton Saavedra Munoz]

[FBIS Translated Excerpt] Talca—Jose Rigoberto Valdivia Mora, who has been identified as the alleged deputy chief of the FMR [Manuel Rodriguez Front] in the central zone, has been arrested in Santiago by the Carabineros Intelligence Services. Valdivia was put yesterday under the jurisdiction of the Talca Military Prosecutor's Office.

Valdivia, whose political names are "Miguel Angel" or "Camilo," was wanted by Prosecutor Major Jose Manuel Arrejola to determine Valdivia's possible participation in terrorist actions in the Seventh Region, especially in the attack on the O'Higgins Museum where watchman Omar Luna Concha was murdered and the copies of the National Independence Act were stolen.

According to the Carabineros, Valdivia reportedly holds a high position in the FMR and underwent political-military training in Cuba. The FMR leadership reportedly entrusted to him the reorganization of the revolutionary armed forces, which are reportedly operating actively in cities of the central zone.

Rigoberto Valdivia Mora was arrested on 4 November in a house on Americo Vespucio Avenue in the district of Penalolen. The arrest was carried out by members of the Carabineros Intelligence Services after investigations that lasted six months.

Valdivia was taken to Talca the same day on a request from the Talca Military Prosecutor's Office. [passage omitted]

With Valdivia's arrest there are now 15 FMR leaders who have been arrested by the police, meaning that the group has been dismantled, although there may still be some leaders free because of the compartmentalized nature of the terrorist cells.

The antisubversive action was carried out by the Police Intelligence Brigade (BIP), the Assaults Investigation Department, and the Carabineros Intelligence Services (Sipolcar).

Colombia

Article Analyzes Samper's 'Social Leap' Plan

PA1811202894 Santa Fe de Bogota EL ESPECTADOR in Spanish 13 Nov 94 p 1B

[Article by Henry A. Rodriguez B.; passages in italics as published]

[FBIS Translated Text] If there is one thing that marks the difference between the Gaviria and Samper administrations, it is their development plans.

While the previous administration's *Peaceful Revolution* seemed to be based on Adam Smith, defender of free market forces under the watchful eye of a gendarme government[1], *The Social Leap*, proposed by the current administration, leans more toward the state's playing an

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active role to guarantee the protection of certain economic sectors and to guide social affairs.

Gaviria's development plan stressed the need for *all* productive sectors to grow simultaneously to prevent supply-side problems, while Samper's document clearly supports *specific*

sectors such as exports, agriculture, industries, and tourism.

Another big difference is that Gaviria's plan gave priority to the *macroeconomic balance* with the understanding that a monetary imbalance, accelerated inflation, and unmeasurable deficits constitute obstacles to growth and almost always run contrary to the objectives of equality.[2] For this reason monetary policies were his main instrument. Everything would be subordinate to them.

Fiscal policies are the main foundation of Samper's plan. This position is reflected in the priority given to public expenditures as a source of financing *social issues*, the axis around which the whole document revolves. To this end, the macroeconomic balance is not the final objective of the *The Social Leap*.

Therefore, Gaviria's plan was *neo-liberal*, and Samper's, as he himself defined it, is "socially oriented, emphasizing job creation and deeply committed to reaching a consensus in the handling of major national issues."

These are *profound* changes in the handling of the country's economic affairs—changes that stand out as one reads and compares the development plans endorsed by Gaviria and Samper. There is, however, more to this than meets the eye, and we need to analyze the document that President Ernesto Samper will make public on 16 November.

This Is Samper's Development Plan

The name of the current administration's development plan, *The Social Leap*, was chosen because the government's banner strategy is the *Social Solidarity Network*, a program that groups different initiatives to improve housing, health, education, and public service sectors "to benefit the 12 million poorest Colombians," in the president's own words.

A presidential review of the plan will be released this week a few hours after the first installation of the *National Planning Council*, a forum for the various groups to discuss the characteristics of the document.

The final version of *The Social Leap* will be presented on 7 February, six months after Samper took office. It will be submitted to Congress the same day.

EL ESPECTADOR, however, had access to the presidential review, which is 180 pages long and contains the seven parts of the plan and its 23 chapters. The highlights of this *document* will now be presented.

Part I

The first part refers to "the state of the country's economic, social, and environmental development."

This section refers to the need to maintain the country's economic opening as a mechanism for achieving growth, but with adjustments to the process.

The document also talks about the need to promote development with the understanding that certain areas, such as the agricultural and industrial sectors, cannot be totally exposed to international competition until the necessary conditions exist for guaranteeing their permanence in the marketplace.

The above can be justified because these sectors are big generators of productive jobs, which is precisely what the country needs to make progress on the road to development.

Of course, to guarantee the country's economic, social, and environmental development, it is also necessary to improve the country's infrastructure, an area that is given priority.

In this first part, poverty, social programs, justice, violence, and "the environmental crisis" are reviewed.

Part II

The second part deals with macroeconomics, outlining the strategy for controlling inflation by implementing the social pact.

It also concentrates on an analysis of the exchange rate, which, according to the document, must help eliminate the anti-exporting bias. The commitment to curb revaluation is clear.

It states that the exchange policy will try to keep the value of the peso in terms of the dollar from making Colombian products more expensive than foreign-made products, which would undermine nontraditional exporters.

Emphasis at this stage, however, is on public spending, which will finance the social phase of the economic opening. The proposal consists of redirecting public spending toward social investment.

Part III

The third part of Samper's development plan explains specific programs in the social field.

It outlines the education leap, the regulation of social security, changes to the ICBF [Colombian Family Welfare Institute], the implementation of subsidized health programs for the poor, as well as expeditious processing in the area of pensions, the role of family compensation funds, and payment of insurance to the unemployed.

It also explains special programs concerning housing, water, and urban development,

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In addition, it proposes strategies to improve justice and enforce human rights observance.

Additionally, it contemplates initiatives to develop small property parcels and the development of micro-enterprises, crafts, and small-scale mining. Moreover, it includes the policy of rural development and the defense of the small stockholder.

The Rest

The fourth part of the plan is devoted to explaining how environmental development must be achieved.

The fifth part is called "Competitiveness for Internationalization," and it includes the program of science and technology, the exporting plan, rural and agriculture modernization, and industrial and tourist reconversion and modernization.

The sixth section of the document is called "Infrastructure for Competitiveness" and includes initiatives pertaining to road, rail, river, port, and airport transportation.

There are also plans for energy, electricity, petroleum, and gas, as well as a policy of contracts, a policy of telecommunications, and a statute of public services.

The last part deals with institutional development, including decentralization, the revolution of public administration, and the participation of society.

This condensed summary allows one to conclude that Samper's Social Leap is basically the antonym of Gaviria's Peaceful Revolution.

Footnotes

1. KALMANOVITS, Salomon. The Development Plan: All Markets. CIEN DIAS Magazine, viewed by Cinep [expansion unknown]. No. 19. Oct-Dec 91.

2. DNP [National Department of Planning]. The Peaceful Revolution. Bogota. 1991. p 21.

Plan Seeks Growth, To Alleviate Poverty

PA1811203294 Santa Fe de Bogota EL ESPECTADOR in Spanish 16 Nov 94 pp B-1, B-2

[FBIS Translated Text] The Samper administration's Economic and Social Development Plan, called the Social Leap, which was approved last night by the National Council for Economic and Social Policy (Conpes), not only seeks to achieve a sustained growth above 5 percent up to 1998 but also considers programs to alleviate the situation of 12 million Colombians who live in poverty.

No shock policies have been scheduled for this period but, rather, a combination of strategies to generate wealth, to bring about a more equitable distribution, and to advance toward macroeconomic stabilization. This model stresses social investment unlike other plans in which grandiose works were a priority. While the state works to provide better living conditions for the people through greater opportunities in education, health, and housing, the private sector will have enough room to tackle major works of infrastructure.

The fact the Solidarity Network has a leading place in the plan proves its social emphasis.

Estimates indicate the inflation rate should decrease 15 percent in 1996, 12 percent in 1997, and 10 percent in 1998 with fiscal discipline, a joint macroeconomic program with the Bank of the Republic, and the Social Leap agreements.

Despite the fact economic growth is expected to drop in 1996, when the gross national product will be 4.6 percent, the generation of wealth is expected to increase 6.3 percent in 1995, 5.4 percent in 1997, and 6.3 percent in 1998.

A large percentage of the expenses will be financed with the oil revenues and the surplus of the National Coffee Fund.

National Planning estimates indicate the price of a barrel of crude will be $16.50 in 1995, will later increase to $17, and will reach $18.50 in 1998.

As for coffee, figures estimate exports at $2 per pound in 1995 and 1996, a drop of $1.47 in 1997, and $1.11 in 1998.

The projected devaluation based on the behavior of the market's average rate is 18.8 percent in 1995, 11.1 percent in 1996, 8.2 percent in 1997, and 6.3 percent in 1998.

Devaluation is not expected to exceed 5 percent this year.

Assessing the plan from the various sectors, it becomes evident that the basic goal is to channel resources into social development by increasing state assistance.

Regarding housing, $2.8 trillion will be allocated in the four-year period. Of that amount, 72 percent will be used to finance housing subsidies and urban improvement in large slums located in the main cities. As for the rural areas, $300 billion and $500 million will be allocated to build housing and to buy land, respectively, during this administration. The goal is to recover 120,000 jobs, production, and profitability.

As for land reform, the government plans to allocate approximately $500 billion to purchase 1 million hectares by the end of the four-year period.

Promoting small and medium businesses constitutes another priority, for which $800 billion will be assigned.

Funds will be assigned for the first time for science and technology. Funds from the national budget equivalent to one point of the GNP will be used for this purpose.

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Legal Status of Several Parties Annulled

PA1811223794 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 18 Nov 94

[Report by Omayra Segura; from the "24 Hours Newscast"]

[FBIS Translated Text] A decision by the National Electoral Council today surprised several groups and political parties. According to the National Electoral Council, several organizations will lose their legal status. All of the groups that failed to obtain a minimum of 50,000 votes in the March elections or a substantial representation in Congress had their legal status annulled.

[Begin Jaime Calderon, president of the National Electoral Council, recording] The parties that will lose their legal status include Patriotic Union, National Democratic Alternative, Democratic Renewal Movement, and National Civic Consensus. [end recording]

Although some groups had not received official notification of the decision, reactions came fast and furious.

[Begin Aida Abello, president of the council of Patriotic Union, recording] [Words indistinct] a country that calls itself democratic, has no opposition, has murdered 2,445 militants, and has currently decided to annul the legal status of parties must answer to the international community for its actions. [end recording]

Another 16 parties could also lose their legal status if they do not present their codes of ethics within the next 25 working days.

Political Parties, Movements Back Peace Strategy

PA2111171294 Santa Fe de Bogota EL ESPECTADOR in Spanish 18 Nov 94 p 5A

[Article by Carlos Murcia]

[FBIS Translated Excerpt] The country's main political parties, movements, and legislative forces have voiced their support, with some reservations, for President Samper's peace strategy, which includes the possibility of future negotiations, a disarmament proposal, and the establishment of negotiating teams.

Several political leaders said they agree with Samper on the need to keep this process "discreet and private," without any one party stealing the spotlight, and to establish self-imposed limits on information, because "it is not possible to achieve peace amid cameras, tape recorders, and notebooks."

Jose Manuel Santos [former foreign trade minister] said, "What I like the most about the government's position is its prudence, because a process such as this cannot be implemented overnight."

Liberal Party National Directorate [DNL] members Juan Guillermo Angel, Alvaro Benedetti, Piedad Cordoba, and Yolima Espinosa welcomed the president's announcement and offered their assistance to the new peace effort, because they believe it is consistent and well reasoned.

Juan Guillermo Angel noted that he will not hesitate to participate in a dialogue should his involvement be useful: "I support honest dialogues, like the one Alfonso Cano [alias of Guillermo Leon Saenz, member of General Staff of Revolutionary Armed Forces of Colombia] once proposed to me, as long as the media does not obstruct the process."

The DNL president added that he prefers separate talks with different insurgent groups, without anyone stealing the spotlight, because the Guerrilla Coordinating Board lacks a unified command. He pointed out: "The president's announcement shows that the government is truly willing to establish a dialogue, and the only thing needed now is for the other party to indicate its interest."

Senator Alfonso Angarita said peace talks with the guerrillas should not take place in a crossfire atmosphere. He added that the rebels should show a sincere and firm determination to achieve a reconciliation.

After meeting with members of the Conservative Party National Directorate [DNC] yesterday, former President Misael Pastrana Borrero said President Samper has the obligation to explore every alternative to make peace possible.

He added that Colombia cannot remain aloof to the peace processes taking place throughout the world, as in the Middle East, Central America, Cambodia, Angola, and in other areas. The Conservative leader pointed out that this is why it is important to persevere in the reconciliation efforts, as he has recommended on several occasions. [passage omitted]

The Conservative Party has started to restructure its relations with the government of President Ernesto Samper on the basis of a review of the programmatic agreement.

In keeping with this, the DNC headed by Jorge Sedano Gonzalez met with the legislative blocs from various regions of the country. It also met with former President Misael Pastrana Borrero and former Presidential-designate Alvaro Gomez Hurtado yesterday and will soon meet with the chief of state.

The Conservative Party believes the government has not taken into consideration the formulation and discussion of essential projects and policies of the administration. [passage omitted]

Legislators: Cartel Helped Draft Surrender Policy

PA2111171094 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 21 Nov 94

[From the "TV Today" newscast]

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[FBIS Translated Text] The Musketeers [Los Mosqueteros] have sparked yet another controversy. The well-known group of legislators headed by Carlos Alonso Lucio has announced it has evidence that shows the lawyers of the late Pablo Escobar helped draft the government's surrender policy. They will present this evidence at Congress on 23 November and will also denounce an alleged alliance among the government, DEA, Cali Cartel, and paramilitary groups to eliminate Pablo Escobar.

[Begin recording] [Unidentified reporter] With this evidence, the Musketeers will show that Cesar Gaviria's government and the Medellin Cartel reached an agreement on the surrender policy.

[Roberto Escobar] My brother Pablo negotiated with the Gaviria administration. They reached an agreement on the drafting of the surrender decrees. My brother, several lawyers, and the ministers of that government cooperated with this process.

[Reporter] The Musketeers also will present recorded conversations with leaders of paramilitary groups and the cartels of Valle del Cauca Department, who also admitted having participated in the famous Devil's Table to eliminate Pablo Escobar Gaviria. They will also present more than 20 hours of Escobar recordings, such as the following, in which he threatened the newspapers EL TIEMPO and EL ESPECTADOR:

[Pablo Escobar, in progress] ...the newspaper EL ESPECTADOR. We are the Extraditables. Please do not feature us in this newspaper again. Otherwise, we will blow up the business or kill you and everyone around you.

[Congressman Carlos Lucio] After hours and hours of talks, of talking with those who played major roles in this conflict, in this violence, we realize that the situation is worse now. [end recording]

Authorities: Fumigation of Illegal Crops To Continue

PA2211043594 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 22 Nov 94

[From the "Seven O'Clock newscast"]

[FBIS Translated Text] National Drug Directorate Director Gabriel de Vega has disclosed that the fumigation of marijuana plantations with glyphosate will not be suspended.

[Begin De Vega recording] Fumigation has been suspended at present because of the occupation [by families in Miraflores, Guaviare] of the landing strips used by the crop dusters. However, the national government has the firm resolve and determination to continue with the process of eradicating these plantations in the country. [end recording]

De Vega also said that the government will continue helping peasants who make a living by cultivating coca leaves.

[Begin De Vega recording] As for the peasant economy, the idea is to generate a social investment plan in which the state will be present through infrastructure projects, roads, basic social services, loans, and market areas to generate legal alternative incomes. [end recording]

The decision to fumigate the coca plantations with glyphosate was made when Colombia surpassed Bolivia in the area of plantations, which considerably increased the processing of coca in Colombia.

[Begin De Vega recording] Colombia used to import cocaine paste from Peru and Bolivia. Today we can say that Colombia's drug trade is self-sufficient and can generate its own paste. [end recording]

As is well known, at first only popoy and marijuana plantations used to be fumigated.

To conclude, De Vega assured that no other chemical product besides glyphosate is used, and he denied that U.S. Government officials are involved in the fumigations.

National Liberation Army Dynamites Pipeline Section

PA2211040694 Madrid EFE in Spanish 0012 GMT 22 Nov 94

[FBIS Translated Text] Santa Fe de Bogota, 21 Nov (EFE)—The Colombian guerrilla group National Liberation Army [ELN] dynamited a section of an oil pipeline in south Cesar Department, in the country's northeast, today. The attack yielded significant damage in the ecological environment but no victims, the authorities reported.

The attack has been attributed to the ELN group Camilo Torres, which operates in the region of Aguachica. Approximately 12,500 liters of oil were spilled, and it became necessary to suspend pumping to prevent a more severe oil loss.

One of the objectives of the ELN, which is headed by Manuel Perez, a Spanish-born priest, is to destroy the country's oil pipelines. It has dynamited one pipeline, the Cano Limon-Cobena pipeline, more than 100 times, causing huge losses to the country's economy.

Paraguay

Chamber of Deputies Seeks End to U.S. Trade Embargo Against Cuba

PY1811204194 Asuncion NOTICIAS in Spanish 18 Nov 94 p 14

[FBIS Translated Text] A resolution seeking the end of the economic and trade blockade imposed on the Cuban

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people by the United States was approved by the Chamber of Deputies after a spirited discussion.

National Encounter Deputy Euclides Acevedo tabled a proposal that the resolution be approved, after stressing the need to end the inhuman situation of the Cuban people. He thus expressed the traditional solidarity of the Paraguayan people.

Although several deputies supported the draft resolution and even discussed the need for resuming diplomatic relations with Cuba, Luis Gonzalez Macchi, of the Argana faction of the Colorado Party, disagreed. He said the constitutional mandate which entrusts the management of Paraguayan foreign policy to the executive branch could not be violated.

As president of the Constitutional Affairs Committee, Gonzalez Macchi pointed out that the Chamber could not assume powers, adding that everything should be channeled through the executive branch.

Acevedo's answer was not long in coming. He stressed that no constitutional attribution of the executive branch was being violated because the Chamber's request did not involve the Republic. He said: "We are only addressing our colleagues."

The discussion became heated when some deputies mentioned the harshness of Fidel Castro's regime, adding that a more profound study of the topic was needed. The topic of human rights was also brought up.

Acevedo replied that the economic blockade was being discussed, not the political or legal nature of the Cuban Government.

The resolution was finally approved with some modifications. In its main passage it states: "The lifting of the economic and trade blockade, which has been imposed on the Cuban people by the United States for more than three decades, is sought because it is unfair from a legal point of view and unacceptable from a humane point of view."

Copies of the resolution will be sent to the U.S. House of Representatives, asking it to urge the government to lift the economic and trade blockade of Cuba, and to local UN and OAS representatives.

Arrested Generals Call Oviedo 'Paranoid,' 'Almost Schizophrenic'

PY2111165894

[FBIS Editorial Report] Asuncion ABC COLOR in Spanish on 19 November publishes on pages 4, 5, and 8 three articles on the views of the three generals arrested on the orders of President Juan Carlos Wasmosy on 18 November.

In a 400 word article on page 4, General Evelio Favio Benitez Santacruz says that "Army Commander Division General Lino Cesar Oviedo is paranoid and his arrest seeks to intimidate him into being quiet." Benitez adds that Wasmosy's participation in his arrest "was limited to signing the order." Benitez said Oviedo "gets mad if every bed in the barracks is not perfectly lined up," he uses offensive language, and orders that all "ventilator fans must run at the same speed. These actions are only ordered by those suffering from paranoia."

In a 400 word article on page 5, General Eumelio Bernal, retired, said the commander in chief's decision was "unfair." The article says the apparent reason for the disciplinary action against Bernal was his remark to TIEMPO 14, accusing General Lino Cesar Oviedo of soaring through the ranks by "removing the principal generals and promoting servile and inept officers." In the same interview Bernal also said "Luis Maria Argana won the Colorado Party primaries," not Wasmosy. Bernal said Wasmosy "knows nothing about military matters," suggesting that Oviedo was responsible for his arrest because Oviedo is Wasmosy's main adviser in military matters.

In a 400 word article on page 8, General Pedro Concepcion Ocampos is reported as saying: "Wasmosy and Oviedo have taken over power and decide everything." Ocampos told Radio Nanduti that Oviedo is "totally egocentric, almost schizophrenic," adding that he is "mentally incoherent." Ocampos said: "Oviedo has always been very ambitious and that he, therefore, wants the ultimate" position—the presidency. Ocampos argues that he always acted according to his conscience and that Wasmosy is wrong to retire or judge them.

Peru

Justice Minister Seeks To Abolish 'Faceless Courts'

PY2211021294 Lima LA REPUBLICA in Spanish 15 Nov 94 p 11

[FBIS Translated Excerpt] Justice Minister Fernando Vega Santa Gadea has proposed the elimination of the institution known as "the faceless courts" to restore both the jurisdiction of the civilian courts and those guarantees that have somehow been curtailed in cases involving terrorist charges.

Vega Santa Gadea said this move is justified today because, despite having played a key, essential role in the past, the faceless courts are no longer needed at this stage of the pacification process. He acknowledged that until the required guarantees for due process are restored, one could not speak of another stage of the pacification process.

The minister said: "I believe the problem ought to be reviewed, at least by the executive branch, and I am willing to raise the issue." He added that, as an attorney, he will also propose the elimination of the police practice

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of presenting to the press, dressed in striped suits, those individuals charged with terrorist offenses eight or 10 days after being arrested.

Vega Santa Gadea said: "Some of them have already proven they are not terrorists, and this practice is a violation of the legal principle concerning the presumption of innocence. In this regard, it may also be possible to make prison laws more lenient for those sentenced to serve the stiffest sentences."

The justice minister also noted that remarkable progress has been made in recent years in terms of human rights. He noted that statistical figures show that cases of missing persons and unfair sentences have been reduced.

The justice minister made these remarks to a local station upon returning to Lima from Geneva, where he had defended the Peruvian position in relation to the many torture charges raised against Peru.

As a signatory of the Convention Against Torture and Other Cruel Punishments, Peru had to answer the charges made in this respect by several nongovernmental organizations, including the National Coordinating Board for Human Rights and Amnesty International. On 9 November, the Peruvian delegation—led by Vega Santa Maria—outlined its position on this matter.

Vega Santa Maria said: "I have recognized that undoubtedly torture has yet to be eradicated in Peru, not only in terms of physical torture, but also in terms of a number of actions undermining the dignity of an individual being held in custody. It would be childish to deny this." He noted, however, that cases of torture have declined, and that corrective measures are in the making to substantially reduce them. [passage omitted]

Fujimori: 'Faceless' Courts To Continue

PY2111200494 Madrid EFE in Spanish 0139 GMT 20 Nov 94

[FBIS Translated Text] Lima, 19 Nov (EFE)—Peruvian President Alberto Fujimori said today in Huaura that the work of the anonymous courts for trying terrorists will continue for the time being.

Fujimori pointed out that as the country's pacification program advances, those courts, which are commonly known as "faceless," will cease to function. Fujimori added that the courts have been an important element in the antiterrorist struggle in the country.

He also said a decision was made to try the terrorists in military courts because Shining Path chief Abimael Guzman, who is serving a life sentence, was declared innocent by a civilian court.

Fujimori made a tour through the different towns of the Lima Department. In Carquin, he dedicated a new wing in the local prison that will house 450 more inmates.

Fujimori also said the prisons being built by his government are necessary to guarantee the country's security in the face of activities by terrorist groups. He indicated he will not step back in his struggle against terrorism.

Fujimori also said his administration will monitor the human rights situation to prevent violations tha' may occur occasionally.

He noted that the struggle against political violence was carried out based on a strictly Peruvian plan, and that violence is the cause of poverty in the country. This is why, he said, it was necessary to fight terrorism first before fighting poverty. He said this fight defended human rights in Peru.

Justice Minister Fernando Vega Santa Gadea also said those held on charges of terrorism will no longer be presented in striped prison uniforms because this violates the principle of presumption of innocence.

He said the Council of Ministers will debate the permanence or elimination of the anonymous courts, which would, in effect, remove military courts from the process of trying terrorists, but Fujimori's comments seem to indicate that the use of military courts will not disappear so quickly.

Minister Vega said, however, that the request made of Peru by human rights organizations in Geneva with regard to easing the harshness of penitentiary life for terrorists serving life sentences will not be put into practice because those serving such sentences are extremely dangerous.

Political Violence Statistics for September 1994

95WR0020A Lima REPORTE ESPECIAL/DESCO in Spanish Sep 94 pp 4-5

[DESCO Special Report No 41: "Political Violence in Peru Today," issued by Peru's Center for Development Studies and Promotion (DESCO)]

[FBIS Translated Text] This month subversive actions declined by more than 20 percent below the August total. The mortality rate from these incidents rose by 13 percent. A total of 56 subversive attacks were reported in September, and they took the lives of 67 persons.

Lima continued to be the area where the largest number of subversive actions took place, with 21 attacks (38 percent). Most of these actions occurred as a result of an escalation unleashed by Sendero Luminoso [Shining Path] on the occasion of 24 September, the second anniversary of the day Abimael Guzman sent a message from jail exhorting his followers to carry out Plan VI. The actions perpetrated by Sendero Luminoso included 12 acts of sabotage, two selective murders in low-income areas, and two attempted murders. At the end of the month, Senderists assaulted an armored truck belonging to a financial institution and took all the money.

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The jungle region had the second-largest number of incidents, with 14 subversive actions (25 percent). Six of them were clashes with security forces stemming from countersubversion operations. In addition, Sendero invaded various towns on two different occasions, staged two attacks on military patrols, carried out one selective murder, and kidnapped a community leader.

The third-largest number of actions took place in the north, with nine (16 percent). On three occasions, the subversives invaded various towns in the provinces of Bolognesi, Cajatambo, and Oyon. At the same time, they carried out acts of sabotage on two occasions, and in the province of Tumbes they made two unsuccessful attempts to sabotage facilities of the National Telecommunications Enterprise of Peru (Entelperu). There was also a clash with police in Ferrenafe, and an incident of armed agitation in Chiclayo.

The principal and central regions are tied for fourth place in terms of the number of actions, with five each (9 percent). In the principal region there were three invasions, two in the province of La Mar and one in Huancavelica. In addition, in Castrovirreyna Province there was a selective murder, and in La Mar there was a confrontation with the Armed Forces. On the other hand, in the central region there were two confrontations: In Satipo, a group of Senderists fought with security forces, and in Chanchamayo a group belonging to the Tupac Amaru Revolutionary Movement (MRTA) did battle with the Armed Forces. Also in Chanchamayo, the MRTA invaded a hamlet, and a woman was kidnapped in Oxapampa.

Fifth and last place is held by the southern region, with two attacks (4 percent). In the province of Lampa, department of Puno, the Senderists assaulted a public transit bus, and in the city of Arequipa they extorted a "war quota."

Terrorist Attacks by Region September 1994—Lima: 38 percent; Jungle: 25 percent; North: 16 percent; Principal: 9 percent; Central: 9 percent; South 4 percent.

As for victims, the jungle region ranks first, with 52 casualties (77 percent). Forty-two of the dead were subversives killed in clashes with security forces. Thirty-five of the Senderist casualties were killed in the operation launched by the Armed Forces, primarily in the province of Tocache and in the Alto Huallaga region in general, on 18 September. In addition, in various invasions in Tocache, a teacher and three town residents were killed. In Huanuco, a shopkeeper and her daughter were murdered. And finally, a Glass of Milk leader in the province of Leoncio Prado was kidnapped.

The principal region had the second-largest number of deaths, with five (7 percent). All of the victims were civilians. In an invasion in Huancavelica Province, Sendero killed four members of a single family, including a minor. The Senderists left a sign accusing the family of being "thieves." And in Castrovirreyna Province, a peasant was also killed by subversives.

The northern region ranks third, with four victims (6 percent). Three peasants were killed in a Senderist invasion of a town in the province of Bolognesi, department of Ancash. Furthermore, an alleged Senderist died in a confrontation in the province of Ferrenafe, department of Lambayeque.

The central region and Lima are tied for last place with three victims (4 percent) each. Two members of the MRTA were killed in a clash with security forces in Chanchamayo, and an alleged Senderist committed suicide at a military base after being captured in that province, according to the official version. And finally, in Lima, the manager of a brick factory and a community leader were killed in two selective murders.

Victims by Region September 1994—Jungle: 78 percent; Principal: 7 percent; North 6 percent; Lima: 4 percent; Central: 4 percent.

Victims and Attacks by Region in September—Lima: 3 civilians, 21 attacks; Jungle: 10 civilians, 42 subversives, 14 attacks; Central: 3 subversives, 5 attacks; North: 3 civilians, 1 subversive, 9 attacks; South: 0 casualties, 2 attacks; Principal: 5 civilians, 5 attacks.

Uruguay

Poll Shows National Party Ahead in Presidential Elections

PY2211002994

[FBIS Editorial Report] Montevideo EL PAIS in Spanish on 17 November publishes on page 20 a 600 word unattributed article on the preferences of voters in the upcoming elections, as well as on plebiscites on the education budget and social security reform.

The article reports on a nationwide poll conducted by Consultora Datos "between 4 and 14 November" in which those polled gave the National Party 30 percent, followed by the Colorado Party with 27 percent, the Progressive Encounter alliance with 25 percent, and the New Sector coalition with 6 percent, while 11 percent of those polled were undecided or will cast blank votes. As for the party primaries, in the National Party the Volonte-Ramos ticket received 44 percent in the poll, the Ramirez-Chiruchi ticket 37 percent, and the Pereyra-Elso Goni ticket 14 percent, while undecided voters amounted to 5 percent. In the Colorado Party, the Sanguinetti-Batalla ticket led with 74 percent, followed by the Batlle-Souza ticket with 14 percent, and the Pacheco-Ache ticket with 7 percent, with undecided voters amounting to 5 percent. In the Progressive Encounter alliance, the poll indicates that the Uruguay Assembly leads with 31 percent of the votes, followed by the Socialist Party with 20 percent, the Artigas Sector with 11 percent, the People's Participation Movement with 7 percent, Advanced Democracy with 7 percent, the

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Nin Novoa group with 7 percent, and the Christian Democratic Party with 5 percent, while undecided voters amounted to 8 percent. Concerning the plebiscite on the education budget, 46 percent of those polled said they would vote for it, 30 percent were against it, and 24 percent were undecided or refused to respond. Concerning the plebiscite on social security reform, 55 percent of those polled said they would vote for it, 10 percent were against it, and 35 percent were undecided or refused to respond.

Polls Indicate Three-Way Tie Among Leading Parties

PY2111233194 Buenos Aires TELAM in Spanish 1809 GMT 20 Nov 94

[FBIS Translated Text] Montevideo, 20 Nov (TELAM-SNI) The Uruguayan people began the last week before the 27 November elections in a climate of total uncertainty, caused by the three-way tie among the Blancos [National Party], the Colorados [Colorado Party] and the Broad Front [Progressive Encounter].

Last week's surveys indicated that the National Party had an advantage of 20,000 votes over the Colorado Party and 60,000 votes over the leftist coalition Broad Front. Total undecided votes were put at 160,000.

Today, however, a survey published by the ruling party newspaper EL PAIS shows "a dead heat" between the Blancos and the Colorados, with the Broad Front gaining support. According to the survey conducted by the firm Cifra, the National Party and the Colorado Party today have 30 percent support each, while the Broad Front is closing in with a 26 percent. A total of 8 percent of voters are still undecided. This group of 8 percent who have not yet decided for whom they will vote on Sunday have become the target of all the candidates, who have redoubled their efforts to win them over.

This peculiar situation affecting Uruguay, where no one is sure who will become the next president, has encouraged some candidates and newspapers to resort to rather unorthodox methods to disqualify their opponents.

The Broad Front newspaper LA REPUBLICA yesterday published on the front page a photograph and detailed report on a luxurious residence in the residential neighborhood of Carrasco that was allegedly purchased by President Luis Alberto Lacalle for $500,000 for he and his family to live in after he finishes his mandate.

The same newspaper, also on the front page, today published remarks from former president and Colorado party candidate Julio Maria Sanguinetti, who says "money has never attracted me very much. That is why I dedicated my life to politics." Sanguinetti said he "has a nice house in Montevideo, does not have a house in Punta del Este, has $18,000 in the bank, and lives on the pension of a former president, which is $3,500 a month."

The Broad Front, which is made up of Communists, Socialists, and Tupamaros, issued a communique questioning a decision by the Electoral Court (the organ responsible for organizing and ensuring the openness of the elections) that designated only six Broad Front representatives, out of a total of 36, to supervise the zonal agencies on the day of the elections.

The leftist coalition stressed that the Electoral Court's decision "might jeopardize electoral guarantees."

The Broad Front declaration provoked a strong reaction from Electoral Court President Juan Carlos Furest, who said that "on the day of the elections we will have 39 Broad Front sympathizers fulfilling some role at the court."

Furest added that the Broad Front communique "is undue interference with court proceedings," and stressed that "all electoral preparations were carried out openly and with objectivity and impartiality."

Broad Front Contenders Hold Rallies, Criticize Mercosur

PY2111231594 Montevideo EL PAIS in Spanish 15 Nov 94 p 1

[FBIS Translated Text] During the past few hours the radical sectors of the Broad Front have lashed out against Mercosur [Common Market of the South] and governability in election campaign rallies in Montevideo, while Deputy Helios Sarthou maintained that "it is much better to be a radical than a servant or a stooge."

Jorge Zabalza, a Tupamaro leader, stressed that above and beyond the political differences with the anarchists, "the red and black of our flag unites us, the red of blood and the black of the gunpowder that has stained their history and ours."

In another rally, Sergio Previtali, a senatorial candidate for Unir [expansion unknown], stated that what would be coherent would be to say "no to the payment of the debt, no to Mercosur, and yes to the fight against the oligarchy."

Tabare Vazquez proclaimed: "I now feel more a member of the Broad Front than I have ever felt, as the Broad Front is the human column that is holding up this formidable rebirth of the popular movement within the hearts of all Uruguayans."

Vazquez stressed that "unity within the Broad Front and the forces of the left are basic elements for working with and implementing the proposals of the people."

Sarthou stated, in a rally that was held in Cerro: "There are characteristics that the Broad Front cannot lose, and without which it would be unable to make changes: It has to maintain the objectives that it had when it was in opposition; do not come to me with things like governability or governmental culture. Authenticity is the only

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culture that we know of, because what was said when you were in the opposition must also be said when you are in government, otherwise you are lying."

Zabalza also said: "We want to win and say yes to the plebiscites on education and social security, but after March 1995 we also want to guarantee that 27 percent will be given to the educational sector, and we are going to have to guarantee this on the streets."

Police Consult With Interior Ministry on Drug Trafficking

PY2211014794 Montevideo LA MANANA in Spanish 15 Nov 94 p 15

[FBIS Translated Excerpt] Over the past few days high-ranking police officers have been constantly visiting the Interior Ministry, where they have been talking with the interior minister, the under secretary, and the director and deputy director of the Interior Ministry Secretariat.

Police chiefs, national directors, and other high-ranking police officers have "paraded" through the Interior Ministry's offices.

The police are worried over the activities of drug traffickers in our country, the possible entry of alleged terrorists who are currently swarming Latin America, the prevention of serious accidents on our highways during the summer season, and the activities of common criminals in our country.

The General Directorate of Illicit Drug Enforcement [Direccion General de la Lucha Contra las Drogas Ilicitas] forces, headed by Chief Superintendent Carlos Echeverria Dolagaray, retired, is working hard over the entire national territory.

With the cooperation of officers from various police precincts, the drug enforcement forces are carrying out special checks on various national highways and local roads where those involved in marketing drugs might be operating.

In November, the police carried out various operations in which people carrying narcotics have been detained.

Two operations in which six people were arrested and two people indicted have been carried out in Colonia Department.

Similar operations were carried out in Rocha Department and other points.

In Montevideo, the drug enforcement officers are working around the clock. They have discovered areas where people were secretly abusing drugs, marijuana, and cocaine.

Following data received from abroad, our government officials are keeping their eyes open, because there is a possibility that terrorists from various countries may enter our territory.

The special services, operating under the National Directorate of Intelligence and Information and under the supervision of Superintendent General Saul Humberto Claveria, are therefore keeping their eyes open.

Given the possibility that members of various commands might enter Uruguay, the special services, with the cooperation of the National Immigration Directorate [Direccion Nacional de Inmigraciones], are concentrating their full attention on our borders.

The Department of Special Operations (DOE), supervised by Inspector Hector de Leon, has increased its patrol services at the so-called strategic points, without neglecting the special guard services for personalities visiting our country. [passage omitted]

Venezuela

Investment Fund President on Privatization of CVG Firms

PA1811031594 Caracas Union Radio Network in Spanish 2200 GMT 15 Nov 94

[Report by Zaida Pereira; from the "Union Radio News" newscast]

[FBIS Translated Text] Investment Fund of Venezuela [FIV] President Carlos Bernardez has announced that the schedule to privatize several CVG [Venezuelan Guayana Corporation] subsidiaries will be presented to the economic cabinet on Wednesday. Only the Orinoco Mining Hill and Edelca [Caroni River Electrification Project] will be excluded from the privatization schedule, because they are considered strategic holdings. Therefore, (Pausilum), Venalum [Aluminum Company of Venezuela], Alcasa [Caroni Aluminum, Inc.], Sidor [Orinoco Iron and Steelworks], (Carbonorcar), (Sidorca), (Minelven), and (Cesilven) will be sold.

According to Bernardez, these firms have a debt of $4.8 billion. Part of the money obtained from their privatization will be used to cover this debt. The rest of the revenues, along with those from the central industry and racetrack services, will be used to cover part of the 1995 fiscal deficit.

[Begin Bernardez recording] The main reason for the privatization is not to use these resources to cover the fiscal deficit. This is only a by-product. The main reason for this action is to allow the government to gradually turn over the management of firms to the private sector. Nevertheless, because of Venezuela's fiscal situation, the fact that we can privatize, for example, CANTV [National Telephone Company of Venezuela] next year will provide us with between $2 billion and $2.5 billion, at least if it is totally privatized. Naturally, we will earn less if it is only partially privatized. Therefore, the privatization of CANTV can make a big difference in next year's finances. [end recording]

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Bernardez also stressed that the FIV cannot take over the sale of the Venezuelan Workers Bank's assets. According to his talks with Fogade [Deposit Guarantee and Banking Protection Fund] President Norys Aguirre, this process is already too advanced.

Details of 'Updated' Draft 1995 National Budget

PA1811205594 Caracas EL UNIVERSAL in Spanish 18 Nov 94 p 2-1

[Report by Alfredo Carquez Saavedra]

[FBIS Translated Text] After many comings and goings within the executive branch, as well as in the National Congress, the 1995 national budget draft bill was updated and modified, ending with a 94 percent relative growth with regard to the original sum approved in 1994.

This increase, of course, did not take into account the wishes of the Economic Recovery and Stabilization Program of not going over the 30 percent fixed ceiling aimed at preventing greater fiscal spending, a greater deficit, and higher inflation.

During the first presentation of the 1995 budget, revenues and expenditures were estimated at 2.3 trillion bolivares. After several revisions, this amount was reduced [as published] by 261.1 billion bolivares to end at 2.6 trillion bolivares.

Finally, after long debates and threats with the specter of reshuffling, it ended up being set at an amount higher than the latter by 155.5 billion bolivares. Consequently, 2.78 trillion bolivares now appears to be the definite amount with which it will take off next year.

This difference (115.5 billion bolivares), according to an official source, has been distributed by Congress without taking into account very important aspects, such as the servicing of the public debt. This includes payments that the government must make to the central bank as a result of the financial subsidies granted to the Deposit Guarantee and Banking Protection Fund, amd salary increases for government employees: approximately 250 billion bolivares, and 140 billion bolivares are required, respectively.

In the order of priorities, the first six modifications in the 1995 national budget, drawn up by the Senate's Financial Commission, are the following:

1. Defense Ministry (25 billion bolivares)
2. Environment and Natural Renewal Resources Ministry (21.6 billion bolivares)
3. Education Ministry (20.4 billion bolivares)
4. Family Ministry (15.9 billion bolivares)
5. Transportation and Communication Ministry (15.5 billion bolivares)
6. Ministry of the Presidency (15.1 billion bolivares)

Meanwhile, the increase in the issuing of treasury notes up to 156.4 billion bolivares translates into an increase in the nation's debt, according to the source.

"These expenditures cannot be financed simply because the revenues taken into consideration in the privatization process (8 billion bolivares) and by the issuing of treasury notes (156 billion bolivares] will not materialize.

The source stated that in this budget debate, the congress has sought to take over the executive's task, when it well knows that according to the law, the administration of the republic is the latter's duty. To conclude, he added that there is the case of certain parlamentarians who are engaged in work tours around the country as if they were candidates, conducting a sort of inventory on the budget requirements of each region.

Dismissal of Cordiplan Deputy Minister Explained

PA2211042794 Caracas EL UNIVERSAL in Spanish 20 Nov 94 Section 1 p 1

[FBIS Translated Text] Rafael McQuhae, deputy minister of the Office of Coordination and Planning [Cordiplan], reportedly was fired Friday night for saying in public remarks which virtually endorsed the Central Bank of Venezuela's [BCV] objections to a Public Credit proposal for 1995.

McQuhae appeared before the Chamber of Deputies' Finance Commission on Friday morning and later met with journalists. He said that BCV's opinion on the risk of increasing the fiscal deficit with the 311 billion bolivares of indebtedness contemplated in the so-called Umbrella 95 Law can be regarded as a "warning on the macroeconomic impact of fiscal expenditures."

BCV questioned the indedtedness level estimated for next year, saying it could seriously hamper the economic stabilization and recovery plan's objective of significantly reducing the fiscal gap beginning in 1995.

According to the sources, McQuhae was removed that night, even before his remarks were published in newspapers.

In his meeting with reporters covering the Chamber of Deputies, McQuhae recalled that the Corrales Plan itself included the expressed recommendation to control monetary and financial aggregates through internal collection rather than through indebtedness. "The problem consists of financing current expenditures with special resources because this creates a recurring tendency toward deficit. It is not possible to have access to those resources every year," he said.

He also said that the government and Congress should be very careful in 1995 to have the expenditures correctly administered and to avoid pressures that could lead to increased expenditures. "We must also watch next year's indedtedness levels," he concluded.

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